



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 4239

DATE FILMED 5-2-96 CAMERA NO. 4

CAMERAMAN JmH

96043732759

Law Offices

HOLLAND & KNIGHT

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM

A Partnership Including Professional Corporations

2100 Pennsylvania Avenue, N.W.
Suite 400
Washington, D.C. 20037-3202
202-955-3000
FAX 202-955-5564

Apr 26 1 44 PM '95

Atlanta	Orlando
Fort Lauderdale	St. Petersburg
Jacksonville	Tallahassee
Lakeland	Tampa
Miami	West Palm Beach

April 25, 1995

WILLIAM B. CANFIELD, III
202-862-5960

VIA HAND DELIVERY

Pre Mur - 314

APR 26 3 05 PM '95

ORIGINAL

Honorable Danny Lee McDonald
Chairman
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Dear Mr. Chairman:

We represent Mr. Ted Arison, founder of Carnival Cruise Lines, a company headquartered in Miami, Florida. Until 1990, Mr. Arison, who was born in Israel, was a citizen of the United States. At that time he again became a citizen of Israel and renounced his United States citizenship. With the sole exception of the transaction referred to below, Mr. Arison made no federal political contributions after the date on which he became a citizen of Israel.

On January 22, 1993, while on a visit to Miami, Mr. Arison was solicited for a contribution by an official with the Florida Congressional Committee (the "Committee"), a multi-candidate federal political committee registered with the Commission. At the time of this solicitation, Mr. Arison was unaware of the prohibition in federal law which precludes a federal candidate or political committee from accepting a contribution from an individual who is not either a citizen of the United States or one who has permanent residence status in this country.

On or about June 10, 1993, Mr. Arison's office in Israel was advised that an invoice from the Committee (copy attached, at Exhibit "A") had been received but had not yet been paid. Without understanding that federal law would prohibit such a contribution, Mr. Arison directed that a personal check be forwarded to the Committee in the amount of \$5000.00 (copy attached at Exhibit "B"). On the same date, June 10, 1993, Mr. Arison's wife also forwarded a contribution from her personal funds, in the amount of \$5000.00, to the Committee (copy attached also at Exhibit "B"). For your information, Mrs. Arison is now, and was on the date of this contribution, a citizen of the United States.

96043 / 32760

Hon. Danny Lee McDonald
April 25, 1995
Page -2-

On April 14, 1995, Mr. Arison learned, for the first time, that federal law prohibits the acceptance of a political contribution from a foreign national. On that date, and upon the advice of his counsel, Mr. Arison directed that his \$5000.00 contribution be refunded by the Committee (copy attached at Exhibit "C"). On April 14, 1995, the Committee complied with Mr. Arison's request and fully refunded the earlier contribution (A copy of the refund check is attached at Exhibit "D"). We have asked the Committee to reflect this refund to Mr. Arison in the Committee's next report to the Commission.

Mr. Arison deeply regrets that this mistake occurred and that this contribution was made. As indicated, it is the sole instance of a federal political contribution having been made by Mr. Arison since he became a citizen of Israel in 1990 and this contribution was made in ignorance of the applicable federal law. The Commission should be aware that as soon as the improper nature of this contribution was brought to Mr. Arison's attention, he immediately and unilaterally took the steps which were necessary to seek an immediate refund of the contribution from the Florida Congressional Committee. We have attached a notarized affidavit from Mr. Arison which sets forth the circumstances surrounding this contribution (see Exhibit "E").

Given the particular circumstances surrounding this mistaken contribution, the fact that this was Mr. Arison's only federal political contribution, and the fact that as soon as Mr. Arison learned of the statutory prohibition on such contributions, he unilaterally took the steps necessary to remedy the mistake, we respectfully suggest that the Commission, after weighing all of the facts and circumstances, exercise its discretion and not impose a civil penalty in this matter.

Should the Commission desire any additional information about this matter, please feel free to contact me directly.

With best regards,

Sincerely,

HOLLAND & KNIGHT



William B. Canfield, III

WBC/ja
Attachments
WAS-97169

96043752751

(A)

RECEIVED JAN 25 1993

FLORIDA CONGRESSIONAL COMMITTEE

EXECUTIVE COMMITTEE

JONATHAN KISLAK,
CHAIRMAN
ALEX HALBERSTEIN,
CHAIRMAN EMERITUS
DONALD E. LEFTON,
ASSOCIATE CHAIRMAN
FORREST B. RAFFEL,
TREASURER
KAREN MARGOLIES,
ASSOCIATE TREASURER
NOMEE FURMAN,
SECRETARY

1400 N.E. Miami Gardens Drive # 100
Miami, Florida 33179-4629
(305) 949-6445

January 22, 1993

Mr. Ted Arison
Carnival Cruise Lines
5225 NW 87 Ave. 3rd Fl.
Miami, FL 33178

LOUISE ALLEN
RICHARD ALLEN
MIKE COOPER
DR. NINA ELLENBOGEN
GEORGE FELDENKREIS
DAVID FLEEMAN
LARRY GOTLIEB
LAWRENCE HELLRING
DONALD KAHN
HERBERT KATZ
MAX H. KARL
JAY KISLAK
NORMAN LIPOFF
LOUIS MORGAN
LOTTIE MORTON
LEROY B. RAFFEL
MURIEL RUSSELL
CHARLIE SIMON
TED SPAK
MARK R. VOGEL

STATEMENT

1993 DUES \$ 10,000

a memo from
NOMEE FURMAN

Linda,

As per Harvey Friedman's meeting
with Ted Arison on Friday, 1/22.

We need 2 separate checks from
2 separate individuals.

96043752752

INVOICE NO

AMOUNT DISCOUNT NET AMT.

\$5,000.-

DATE June 10, 1993

CHECK NUMBER 1710

TED ARISON
100 S.E. 2ND STREET 32ND FLOOR
MIAMI, FL 33131-2138

BARNETT BANK
701 Brickell Avenue
Miami, FL 33131

83-398
870

001710

CHECK NO. 1710

****Five thousand dollars only****

DATE
Tel Aviv, June 10, 1993

AMOUNT
\$5,000.-

Florida Congressional Committee

[Handwritten Signature]

9604372753

PAY TO THE ORDER

[Redacted]

MARILYN B. ARISON		0152
June 10, 1993		83-398/870
PAY TO THE ORDER OF	Florida Congressional Com.	\$5000.00
	Five thousand and 00/100	DOLLARS
	037-001 420 Lincoln Road Mall Miami Beach, Florida 33139	
FOR	<i>Marilyn B. Arison</i>	

Mailed to Harney 6/30/93.

FLORIDA CONGRESSIONAL COMMITTEE

①

EXECUTIVE COMMITTEE

FORREST RAFFEL,
LEROY RAFFEL,
CO CHAIRMEN
JONATHAN KISLAK,
ALEX HALBERSTEIN,
HARVEY FRIEDMAN,
CHAIRMEN EMERITUS
KAREN MARGULIES,
TREASURER
NOME E FURMAN,
SECRETARY

LOUISE ALLEN
RICHARD ALLEN
MIKE COOPER
DR. NINA ELLENBOGEN
GEORGE FELDENKREIS
DAVID FLEEMAN
LARRY GOTLIEB
LAWRENCE HELLRING
HERBERT KATZ
MAX H. KARL
JAY KISLAK
NORMAN LIPOFF
LOUIS MORGAN
LOTTIE MORTON
MURIEL RUSSELL
CHARLIE SIMON
TED SPAK
MARK R. VOGEL

1400 N.E. Miami Gardens Drive #100
Miami, Florida 33179-4843
(305) 949-6445

April 14, 1995

Andrew H. Weinstein, Esq.
Holland & Knight
Box 015441
Miami, FL 33101-6441

Dear Mr. Weinstein:

Pursuant to our telephone conversation today enclosed is the \$5000 refund of Ted Arison's June 10, 1993 erroneous contribution to the Florida Congressional Committee.

Please see that this check is delivered to him.

Sincerely yours,

FLORIDA CONGRESSIONAL COMMITTEE

Nomee Furman
Nomee Furman
Secretary
Encl.

960437327504

①

FLORIDA CONGRESSIONAL COMMITTEE

1309

April 14, 1995

63-84108
670

PAY
TO THE
ORDER OF

Ted Arison

\$ 5,000.00

Five Thousand and 00/100

DOLLARS



CAPITAL BANK

North Miami Beach Office
115 NW 167th Street, N. Miami Beach, FL 33160
(305) 653-5440

Jon G. Kupper
President

FOR

Refund of June 10, 1993 erroneous
contribution

[Redacted area]

96043732755

E

BOAZ NAHIR
ADVOCATE & NOTARY
45 Rothchild Blvd - Zion Building
Tel-Aviv 65784
P.O.B. 29141
Telephone 5606633
Facsimile 5606555

בועז נהיר
גורר-דין ונוטריון
בית ציון - שדרות רוטשילד 45
תל-אביב 65784
תיד 29141
טלפון 5606633
פקסימיליה 5606555

No.416/95

מס' 416/95

AUTHENTICATION OF SIGNATURE

אימות חתימה

I the undersigned, Boas Nahir, Notary at Tel-Aviv-Yaffo hereby certify that on 16.4.95 there appeared before me at my office Mr. Ted Arison, Mrs. Bernice S. Scheiner and Mr. Shlomo Nehama who are known to me to me personally and signed of their own free will the document attached hereto marked "A".

אני, החתום מטה, בועז נהיר, נוטריון בתל-אביב-יפו, מאשר בזה כי ביום 16.4.1995 ניצבו לפני במשרדי מר תד אריסון, גבי ברניס ס. שיינר ומר שלמה נחמה, המוכרים לי אישית, וחתמו מרצונם החופשי על המסמך המצורף והמסומן "א".

In witness whereof I hereby authenticate the signatures of Mr. Ted Arison, Mrs. Bernice S. Scheiner and Mr. Shlomo Nehama by my own seal and signature.

ולראיה הנני מאמת את חתימתם של מר תד אריסון, גבי ברניס ס. שיינר ומר שלמה נחמה בחתימת ידי ובחותמי

This day of 16th April 1995

היום: 16 באפריל 1995

Costs: NIS. 180 (V.A.T inclusive)

שכר: 180 ש"ח כולל מע"מ



BOAS NAHIR
NOTARY

בועז נהיר
נוטריון

064332746

AFFIDAVIT

A - N
BU

The undersigned Ted Arison does hereby aver as follows:

1. I was born in and have been a resident and citizen of Israel since 1990.
2. Upon returning to Israel, I ceased making contributions to candidates for political office in the United States.
3. On January 22, 1993, during a visit to the United States, I was visited by Harvey Freidman of the Florida Congressional Committee ("Committee") for the purpose of soliciting a contribution to the Committee. I did not realize, at that time, that it would be contrary to U.S. law to make such a contribution.
4. Following the meeting, I received an invoice from the Committee dated January 22, 1993, which I did not then pay.
5. On June 10, 1993 I issued check number 001710 to the Committee in the amount of \$5,000.00. A copy of the check is attached. At the time of issuing the check, I was likewise unaware that U.S. law prohibited such a payment.
6. I do not recall the circumstances extant at the time I issued the check in payment of the agreed contribution. Consistent with my general office practice in Tel Aviv and because of my extensive travel schedule, I believe that a member of my staff would have brought to my attention the unpaid invoice from the Committee. I would likely have simply then instructed that a check issue for the amount past due. No consideration was given to legal issues because I was not aware thereof.
7. On April 14, 1995, I learned that a news reporter had become aware of the subject contribution to the Committee. The reporter was asking our company's media spokesman, Tim Gallagher, to comment. I did not recall having made the contribution. I contacted my counsel, Holland & Knight, and asked that they verify the accuracy of the reporter's findings. Counsel confirmed its accuracy and advised that it was indeed prohibited by law. This was my first awareness of the applicable law.
8. I immediately instructed counsel to request that the contribution be promptly returned. A copy of the request and the refund check is attached.

96043732767

9. Mr. Gallagher was instructed to provide a full and complete explanation to the media of the error. Simultaneously, counsel was instructed to promptly bring this error to the attention of the appropriate agency. That is the purpose for which this Affidavit was prepared.

10. At no time prior to or after I became resident in Israel in 1990 did I make any other contributions to candidates for United States political office, other than as stated herein. The subject contribution was an innocent error.

Further affiant sayeth not.

Dated this 16th day of April, 1995.



Ted Arison

Witness:

B.S. Schiemer
(Signature)

Bernice S Schiemer
(Printed Name)

Witness:

S. Wehman
(Signature)

SHLOMO WEHMAN
(Printed Name)

B. Wehman Notary

96043732768



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 1, 1995

William B. Canfield, III
Holland & Knight
2100 Pennsylvania Avenue, N.W.
Suite 400
Washington, D.C. 20037-3202

RE: Pre-MUR 314

Dear Mr. Canfield:

This is to acknowledge receipt of your letter dated April 25, 1995, advising the Federal Election Commission ("Commission") of a possible violation of the Federal Election Campaign Act of 1971, as amended, by Ted Arison. We will review the matter and notify you as soon as the Commission takes action on your submission.

If you have any questions, please contact Alva E. Smith at (202) 219-3400. For your information, we have attached a brief description of the Commission's procedures for handling matters such as this.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosure
Procedures

96043732769

FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

JUL 24 9 39 AM '95

FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

PRE-MUR 314
DATE SUA SPONTE RECEIVED
BY OGC: April 26, 1995
DATE ACTIVATED: May 15, 1995
STAFF MEMBER: Dominique Dillenseger

RESPONDENTS: Ted Arison
Harvey Friedman
The Florida Congressional Committee and
Forrest B. Raffel, as treasurer

RELEVANT STATUTES: 2 U.S.C. § 441e
11 C.F.R. § 110.4(a)

INTERNAL REPORTS CHECKED: FEC Disclosure Documents

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

This matter was generated by a sua sponte submission dated April 25, 1995, from counsel for Ted Arison. Attachment 1. The submission indicates that Mr. Arison,¹ a foreign national, made a \$5,000 contribution to the Florida Congressional Committee ("the Committee"), a multi-candidate federal political committee. Id.

By affidavit, Mr. Arison avers that he has been a resident and citizen of Israel since 1990. See Affidavit of Ted Arison, Attachment 1, p. 8, at ¶ 1. Mr. Arison further avers that on January 22, 1993, while on a visit to the United States, he "was visited by Harvey Friedman of the Florida Congressional Committee ("Committee") for the purpose of soliciting a contribution to the

1. Ted Arison is founder of Carnival Cruise Lines, a foreign company headquartered in Miami, Florida. Attachment 1, p. 1.

96043732770

Committee." Id. at ¶ 3. Shortly thereafter, the Committee sent Mr. Arison an invoice dated January 22, 1993, for \$10,000 requesting "2 separate checks from 2 separate individuals." Attachment 1, p. 3. Counsel states that "on or about June 10, 1993, Mr. Arison's office in Israel was advised that an invoice from the Committee had been received but had not yet been paid." Id. at 1. On June 10, 1993, Mr. Arison and his wife, Marilyn Arison, issued separate checks for \$5,000 to the Committee. Id. at 4. Mr. Arison's contribution check was drawn on a Miami bank but appears to have been issued from Israel -- "Tel Aviv" is typed next to the date on the check. Id. The Florida Congressional Committee 1993 Year End Report reflects that the Committee received these contributions on July 6, 1993.² Attachment 2.

Mr. Arison contends that he was unaware of the statutory prohibition against foreign national contributions at the time of the solicitation and contribution. Attachment 1, p. 8 at ¶¶ 3 and 5. He further contends that he first learned of the prohibition on April 14, 1995 -- after an inquiry from a news reporter -- and that he took immediate steps to seek a refund of the contribution and to notify the media and the Commission of the error. Id. at ¶¶ 7-9. The Committee issued a refund check for \$5,000 on April 14, 1995, almost two years after the initial contribution. Id. at pp. 5-6. Mr. Arison further contends that "[u]pon returning to Israel [in 1990], [he] ceased making contributions to

2. The contribution from Marilyn Arison is not in issue because she is now, and was at the time of the contribution, a United States citizen. Attachment 1, p. 1.

96043/32771

9 6 0 4 3 7 3 2 7 7 2

candidates for political office in the United States." Id. at p. 8, ¶ 2. Elsewhere in his affidavit, Mr. Arison also avers that "[a]t no time prior to or after [he] became [a] resident in Israel in 1990 did [he] make any other contributions to candidates for United States political office, other than as stated herein." Id. at p. 9, ¶ 10. This statement, however, is inconsistent with his earlier statement that he stopped making contributions after his return to Israel in 1990, suggesting he had contributed before. This is also inconsistent with disclosure documents which reveal that Mr. Arison made six other federal contributions throughout 1990, including another \$5,000 contribution to the Florida Congressional Committee dated November 11, 1990.

Counsel has requested that the Commission not set a civil penalty in this matter given the "circumstances surrounding this mistaken contribution, the fact that this was Mr. Arison's only federal political contribution, and the fact that as soon as Mr. Arison learned of the statutory prohibition on such contributions, he unilaterally took the steps necessary to remedy the mistake" Id. at p. 2. (Emphasis added.)

II. FACTUAL AND LEGAL ANALYSIS

The Federal Election Campaign Act of 1971, as amended (the "Act") provides that:

It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention,

or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national.

2 U.S.C. § 441e.³ See also 11 C.F.R. §§ 110.4(a)(1) and (2). The term "foreign national" is defined as, inter alia, an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence. 2 U.S.C. § 441e(b)(2).

Ted Arison

Ted Arison, a foreign national, made a \$5,000 contribution to the Florida Congressional Committee on June 10, 1993, in violation of 2 U.S.C. § 441e. Although Mr. Arison contends that he was unaware of the statutory prohibition on contributions by foreign nationals, this does not vitiate the violation. Accordingly, this Office recommends that the Commission find reason to believe that Ted Arison violated 2 U.S.C. § 441e.

Harvey Friedman

The Florida Congressional Committee letterhead lists Harvey Friedman as "Chairman Emeritus." See Attachment 1, p. 5. Ted Arison avers that during a visit to the United States, Harvey Friedman solicited a contribution from him to the Florida Congressional Committee. In addition, the \$10,000 "Dues Statement" from the Committee dated January 22, 1993, states "[a]s per Harvey Friedman's meeting with Ted Arison on Friday, 1/22." Id. at 3. Because the Act specifically prohibits any person from soliciting a contribution from a foreign national, this Office

3. Section 441e applies to any election for any political office, including state and local offices.

96043732773

recommends that the Commission find reason to believe that Harvey Friedman violated 2 U.S.C. § 441e.

The Florida Congressional Committee and Forrest B. Raffel, as treasurer

The Florida Congressional Committee 1993 Year End Report discloses that the Committee received a \$5,000 contribution from Ted Arison on July 6, 1993. The check itself is dated "Tel Aviv, June 10, 1993," which should have put the Committee on notice to at least inquire about it. The Committee acknowledged that the contribution was prohibited when it refunded the money on April 14, 1995. In light of the Committee's receipt of a contribution from a foreign national, which was not refunded for almost two years, this Office recommends that the Commission find reason to believe that the Florida Congressional Committee and Forrest B. Raffel, as treasurer, violated 2 U.S.C. § 441e.

III. INVESTIGATION

There are two issues that are not discussed in the sua sponte submission which bear on the disposition of this matter. First, both counsel and Mr. Arison claim that this is the only federal contribution Mr. Arison has made since becoming a citizen of Israel in 1990; however, neither counsel nor Mr. Arison reveal the specific date in 1990 when Mr. Arison changed his citizenship. The date is important because disclosure documents reveal that Mr. Arison made six federal contributions throughout 1990, including a contribution to the Florida Congressional Committee dated November 6, 1990. Second, neither counsel nor Mr. Arison addresses whether Mr. Arison made any state or local contributions

96043732774

since his change in citizenship. Counsel specifically contends throughout his submission that this is the only "federal" contribution Mr. Arison has made since his change of citizenship. Mr. Arison avers that he did not make "any other contributions to candidates for United States political office," which could be construed to mean only federal candidates.

This Office has therefore prepared written discovery directed to Mr. Arison to determine when he changed his citizenship status and whether he has made any other contributions since becoming a citizen of Israel. This Office recommends that the Commission approve the attached Subpoena to Produce Documents and Order to Submit Written Answers.

After reviewing Mr. Arison's responses to discovery, this Office should be in a better position to make recommendations concerning the further disposition of this matter, including what action, if any, should be taken with regard to the other Respondents. Specifically, it appears it would be prudent to find out more about Mr. Arison's earlier contribution to the Florida Congressional Committee and who solicited it before making further recommendations concerning Mr. Friedman and the Committee.

IV. RECOMMENDATIONS

1. Open a MUR.
2. Find reason to believe that Ted Arison violated 2 U.S.C. § 441e.
3. Find reason to believe that Harvey Friedman violated 2 U.S.C. § 441e.

96043 / 32775

4. Find reason to believe that the Florida Congressional Committee and Forrest B. Raffel, as treasurer, violated 2 U.S.C. § 441e.

5. Approve the attached Subpoena to Produce Documents and Order to Submit Written Answers.

6. Approve the attached Factual and Legal Analyses.

7. Approve the appropriate letters.

Lawrence M. Noble
General Counsel

7/21/95
Date

BY: 
Lois G. Lerner
Associate General Counsel

Attachments

1. Sua Sponte Letter, dated April 25, 1995.
2. Disclosure Documents.
3. Subpoena to Produce Documents and Order to Submit Written Answers
4. Factual and Legal Analysis - Ted Arison.
5. Factual and Legal Analysis - Harvey Friedman.
6. Factual and Legal Analysis - The Florida Congressional Committee and Forrest B. Raffel, as treasurer.

96043732776

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Ted Arison;)
Harvey Friedman;)
The Florida Congressional)
Committee and Forrest B. Raffel,)
as treasurer)

Pre-MUR 314 MUR 4239

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on August 1, 1995, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions with respect to Pre-MUR 314:

1. Open a MUR.
2. Find reason to believe that Ted Arison violated 2 U.S.C. § 441e.
3. Find reason to believe that Harvey Friedman violated 2 U.S.C. § 441e.
4. Find reason to believe that the Florida Congressional Committee and Forrest B. Raffel, as treasurer, violated 2 U.S.C. § 441e.

(continued)

96043732777

5. Approve the Subpoena to Produce Documents and Order to Submit Written Answers as recommended in the General Counsel's July 21, 1995 report.
6. Approve the Factual and Legal Analyses attached to the General Counsel's July 21, 1995 report.
7. Approve the appropriate letters as recommended in the General Counsel's July 21, 1995 report.

Commissioners Aikens, Elliott, McDonald, McGarry, Potter, and Thomas voted affirmatively for the decision.

Attest:

8-3-95
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

96043732778



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 9, 1995

Forrest B. Raffel, Treasurer
Florida Congressional Committee
1400 N.E. Miami Gardens Drive #100
Miami, FL 33179-4843

RE: MUR 4239

Dear Mr. Raffel:

On August 1, 1995, the Federal Election Commission found that there is reason to believe the Florida Congressional Committee and you, as treasurer, violated 2 U.S.C. § 441e, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

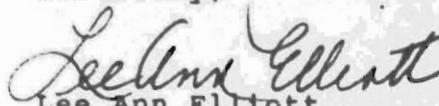
96043732779

Forrest B. Raffel, Treasurer
Page 2

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have enclosed a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Dominique Dillenseger, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,


Lee Ann Elliott
Vice Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form

96043732780

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Florida Congressional Committee
and Forrest B. Raffel, as treasurer

MUR: 4239

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

The Federal Election Campaign Act of 1971, as amended (the "Act") provides that:

It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national.

2 U.S.C. § 441e.¹ See also 11 C.F.R. §§ 110.4(a)(1) and (2). The term "foreign national" is defined as, inter alia, an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence. 2 U.S.C. § 441e(b)(2).

Ted Arison has been a citizen of Israel and a foreign national since 1990. Ted Arison made a \$5,000 contribution to the Florida Congressional Committee on June 10, 1993. The Florida Congressional Committee 1993 Year End Report discloses that the Committee received the contribution on July 6, 1993. The check itself is dated "Tel Aviv, June 10, 1993," which should have put

1. Section 441e applies to any election for any political office, including state and local offices.

96043732781

the Committee on notice to at least inquire about it. The Committee acknowledged that the contribution was prohibited when it refunded the money on April 14, 1995. The Committee received a contribution from a foreign national, which was not refunded for almost two years. Therefore, there is reason to believe that the Florida Congressional Committee and Forrest B. Raffel, as treasurer, violated 2 U.S.C. § 441e.

96043732702



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 9, 1995

Harvey Friedman, Chairman Emeritus
Florida Congressional Committee
1400 N.E. Miami Gardens Drive #100
Miami, Fl 33179-4843

RE: MUR 4239

Dear Mr. Friedman:

On August 1, 1995, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441e, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

96043732703

Harvey Friedman
Page 2

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have enclosed a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Dominique Dillenseger, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,


Lee Ann Elliott
Vice Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form

96043732704

FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Harvey Friedman

MUR: 4239

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

The Federal Election Campaign Act of 1971, as amended (the "Act") provides that:

It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national.

2 U.S.C. § 441e.¹ See also 11 C.F.R. §§ 110.4(a)(1) and (2). The term "foreign national" is defined as, inter alia, an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence. 2 U.S.C. § 441e(b)(2).

Ted Arison has been a citizen of Israel and a foreign national since 1990. The Florida Congressional Committee letterhead lists Harvey Friedman as "Chairman Emeritus." Mr. Arison avers that on January 22, 1993, during a visit to the United States, Harvey Friedman solicited a contribution from him to the Florida Congressional Committee. In addition, the \$10,000 "Dues Statement" from the Committee dated January 22, 1993, states

1. Section 441e applies to any election for any political office, including state and local offices.

96043732785

"(a)s per Harvey Friedman's meeting with Ted Arison on Friday, 1/22." Ted Arison made a \$5,000 contribution to the Florida Congressional Committee on June 10, 1993. The Act specifically prohibits any person from soliciting a contribution from a foreign national. Therefore, there is reason to believe that Harvey Friedman violated 2 U.S.C. § 441e.

96043732736



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 9, 1995

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

William B. Canfield, III, Esq.
Holland & Knight
2100 Pennsylvania Avenue, N.W.
Suite 400
Washington, D.C. 20037-3202

RE: MUR 4239
Ted Arison

Dear Mr. Canfield:

On August 1, 1995, the Federal Election Commission found that there is reason to believe that your client, Ted Arison, violated 2 U.S.C. § 441e, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Submit Written Answers and Subpoena to Produce Documents must be submitted within 30 days of your receipt of this Order and Subpoena. Any additional materials or statements you wish to submit should accompany the response to the Order and Subpoena. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

96043732787

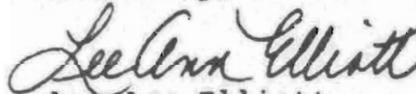
William B. Canfield, III, Esq.
Page 2

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Dominique Dillenseger, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,



Lee Ann Elliott
Vice Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures

96043732788

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)
) MUR 4239
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Ted Arison
c/o William B. Canfield, III, Esquire
Holland & Knight
2100 Pennsylvania Avenue, N.W.
Suite 400
Washington, D.C. 20037-3202

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 30 days of receipt of this Order and Subpoena.

96043732789

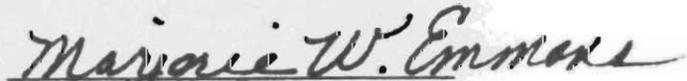
WHEREFORE, the Vice Chairman of the Federal Election
Commission has hereunto set his hand in Washington, D.C. on this
8th, day of August, 1995.

For the Commission,



Lee Ann Elliott
Vice Chairman

ATTEST:



Marjorie W. Emmons
Secretary to the Commission

Attachment
Interrogatories and Requests For Production

96043732790

INSTRUCTIONS

In answering these interrogatories and requests for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

96043732791

DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Person" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean to state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, and the number of pages comprising the document.

"Identify" with respect to a person shall mean to state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding, and the nationality of such person and whether such person is a United States citizen or a permanent resident alien of the United States. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

96043732792

INTERROGATORIES AND REQUEST
FOR PRODUCTION OF DOCUMENTS

1. In your affidavit, you state that you became a citizen and resident of Israel in 1990. Please state the exact date (month, day, and year) on which your status changed from being a citizen of the United States to a citizen and permanent resident of Israel.

2. Please state the full address of your permanent residence in Israel.

3. Please produce a copy of all official documents which evidence your change of citizenship and permanent residency and the effective date of the change.

4. Please state whether your citizenship or residency has changed since the date of the change in citizenship/residency identified in response to Interrogatory No. 1. If so, please provide the exact date (month, day, and year) of the change; the full address of your permanent residence; and a copy of all official documents evidencing the change.

5. From January 1, 1990, to the present, please identify by date, amount, and recipient: (a) all contributions made by you to federal, state and local candidates in the United States; and (b) all contributions made by you to non-candidate political committees in the United States. For each such contribution, please produce all documents relating to the contribution, including but not limited to copies of checks and all correspondence.

6. For each contribution identified in response to Interrogatory No. 5, please state whether you have requested a refund and whether the contribution has been refunded. For each contribution that has been refunded or for which a refund has been requested: (a) state the date and amount of the refund; (b) produce a copy of the refund check; (c) produce a copy of your request for the refund; and (d) produce all other documentation pertaining to the refund or refund request, including correspondence.

7. Concerning your \$5,000 contribution to the Florida Congressional Committee received by the Committee in November 1990:

- (a) Please describe the circumstances surrounding this contribution;
- (b) Please identify the person who solicited this contribution; and
- (c) Please describe when and where the solicitation was made.

96043732793

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Ted Arison

MUR: 4239

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

The Federal Election Campaign Act of 1971, as amended (the "Act") provides that:

It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national.

2 U.S.C. § 441e.¹ See also 11 C.F.R. §§ 110.4(a)(1) and (2). The term "foreign national" is defined as, inter alia, an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence. 2 U.S.C. § 441e(b)(2).

By affidavit, Ted Arison avers that he has been a resident and citizen of Israel since 1990. Mr. Arison further avers that on January 22, 1993, while on a visit to the United States, he "was visited by Harvey Friedman of the Florida Congressional Committee ("Committee") for the purpose of soliciting a contribution to the Committee." Shortly thereafter, the Committee sent Mr. Arison an invoice dated January 22, 1993, for \$10,000

1. Section 441e applies to any election for any political office, including state and local offices.

96043732794

requesting "2 separate checks from 2 separate individuals." Counsel for Mr. Arison states that "on or about June 10, 1993, Mr. Arison's office in Israel was advised that an invoice from the Committee had been received but had not yet been paid." On June 10, 1993, Mr. Arison and his wife, Marilyn Arison, issued separate checks for \$5,000 to the Committee. Mr. Arison's contribution check was drawn on a Miami bank but appears to have been issued from Israel -- "Tel Aviv" is typed next to the date on the check. The Florida Congressional Committee 1993 Year End Report reflects that the Committee received these contributions on July 6, 1993.

Mr. Arison contends that he was unaware of the statutory prohibition against foreign national contributions at the time of the solicitation and contribution. He further contends that he first learned of the prohibition on April 14, 1995 -- after an inquiry from a news reporter -- and that he took immediate steps to seek a refund of the contribution and to notify the media and the Commission of the error. The Committee issued a refund check for \$5,000 on April 14, 1995, almost two years after the initial contribution. Mr. Arison further contends that "(u)pon returning to Israel [in 1990], [he] ceased making contributions to candidates for political office in the United States." Elsewhere in his affidavit, Mr. Arison also avers that "[a]t no time prior to or after [he] became [a] resident in Israel in 1990 did [he] make any other contributions to candidates for United States political office, other than as stated herein. This statement,

96043732795

however, is inconsistent with his earlier statement that he stopped making contributions after his return to Israel in 1990, suggesting he had contributed before. This is also inconsistent with disclosure documents which reveal that Mr. Arison made six other federal contributions throughout 1990, including another \$5,000 contribution to the Florida Congressional Committee dated November 11, 1990.

Ted Arison, a foreign national, made a \$5,000 contribution to the Florida Congressional Committee on June 10, 1993. Although Mr. Arison contends that he was unaware of the statutory prohibition on contributions by foreign nationals, this does not vitiate the violation. Therefore, there is reason to believe that Ted Arison violated 2 U.S.C. § 441e.

96043732796

LAW OFFICES

ENGELS, PERTNOV, SOLOWSKY & ALLEN, P.A.

RICHARD L. ALLEN
MARTIN ENGELS
JOSEPH J. GERSTEN
ALFRED I. HOPKINS
LORI J. JOHNSON
LEAN LARIVIERE
SIDNEY M. PERTNOV
JAY H. SOLOWSKY
SUZANNE H. TOUMANS

OF COUNSEL
STEVEN M. BROTMAN

21ST FLOOR
INTERNATIONAL PLACE
100 SOUTHEAST 2ND STREET
MIAMI, FLORIDA 33131

TELEPHONE (305) 571-2228
BROWARD (305) 522-5688
FAX (305) 573-2073

Aug 22 5 00 PM '95
RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

August 22, 1995

Lee Ann Elliott
Vice Chairman, Federal
Election Commission
Federal Election Commission
Washington, D.C. 20463

Re: MUR 4239

Dear Chairman Elliott:

This law firm represents the Florida Congressional Committee and Forrest B. Raffel with respect to the above-referenced matter. We also provisionally represent Harvey Friedman pending our discussions with him upon his return from vacation.

Your letters of August 9, 1995 were received by the Florida Congressional Committee ("FCC") on August 11, 1995. At the time your letters arrived at FCC, I was out of State on vacation and then was in Chicago, Illinois and Sarasota, Florida in business and did not return to my office until this morning, August 22, 1995. I only received copies of your correspondence upon my arrival at the office this morning and have not had an opportunity to discuss these matters with my clients. I also understand that Mr. Friedman is currently out of the State on vacation and is not expected back until next week. I have been unable to reach Mr. Friedman as of now, but have left a message for him in Hawaii.

Accordingly, this letter will serve as a request for an enlargement of time to respond to the matters set forth in your letters of August 9, 1995. A twenty (20) day enlargement until September 18, 1995 is respectfully requested.

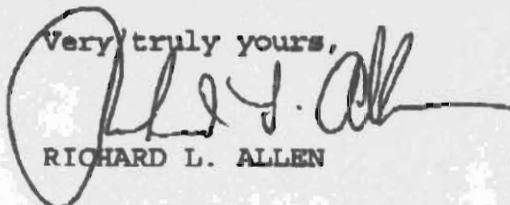
Enclosed is a photocopy of a Statement of Designation of Counsel I received by fax today from Mr. Raffel. I will provide you with the original Designations from the FCC and Mr. Friedman as soon as possible.

96043732797

Lee Ann Elliott
August 22, 1995
Page 2

Thank you for your attention to this matter. Of course, should you have any questions please feel free to call me.

Very truly yours,



RICHARD L. ALLEN

RLA/ml

Enclosure

cc: Dominique Dillenseger, Esq. (Via Facsimile) (202) 219-3923
Florida Congressional Committee
Forrest B. Raffel
Harvey Friedman

96043732798

STATEMENT OF DESIGNATION OF COUNSEL

ICR 4239

NAME OF COUNSEL: RICHARD L. ALLEN, ESQ.

ADDRESS: Engels, Pertnoy, Solowsky & Allen, P.A.
100 Southeast 2nd Street, 21st Floor
Miami, Florida 33131

TELEPHONE: (305) 371-2223

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

August 22, 1995
Date

X Forrest B. Rappel
Signature

RESPONDENT'S NAME: FORREST B. RAPPEL

ADDRESS: c/o Florida Congressional Committee
1400 N.E. Miami Gardens Drive, #100
Miami, Florida 33179-4843

HOME PHONE: _____

BUSINESS PHONE: (305) 946-6445

96043732799

STATEMENT OF DESIGNATION OF COUNSEL

MUR 4239

NAME OF COUNSEL: RICHARD L. ALLEN, ESQ.

ADDRESS: Engels, Pertinoy, Solowsky & Allen, P.A.
100 Southeast 2nd Street, 21st Floor
Miami, Florida 33131

TELEPHONE: (305) 371-2223

The above-named individual is hereby designated as my
counsel and is authorized to receive any notifications and other
communications from the Commission and to act on my behalf before
the Commission.

August 28, 1995
Date

Harvey Friedman
Signature

RESPONDENT'S NAME: HARVEY FRIEDMAN

ADDRESS: c/o Florida Congressional Committee
1400 N.E. Miami Gardens Drive, #100
Miami, Florida 33179-4843

HOME PHONE: _____

BUSINESS PHONE: (305) 949-6445

95043732800



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 25, 1995

VIA FACSIMILE

Richard Allen, Esquire
Engels, Pertnoy, Solowsky & Allen, P.A.
100 Southeast 2nd Street, 21st Floor
Miami, Florida 33131

RE: MUR 4239

Dear Mr. Allen:

This responds to your facsimile letter dated August 22, 1995, requesting a 20-day extension until September 18, 1995, to respond to our notification letters to Harvey Friedman and to the Florida Congressional Committee and Forrest B. Raffel, as treasurer ("FCC"), in the above-referenced matter. You submitted a Statement of Designation of Counsel from the FCC but not on behalf of Mr. Friedman. You explain that you are "provisionally" representing Mr. Friedman pending his return from vacation next week.

After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension only as to the FCC. Accordingly, your response is due by the close of business on September 18, 1995. This Office cannot, however, consider your extension request on behalf of Mr. Friedman until we receive his Statement designating you as his counsel. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Dominique Dillenseger
Dominique Dillenseger
Attorney

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

96043732801



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 29, 1995

VIA FACSIMILE

Richard Allen, Esquire
Engels, Pertnoy, Solowsky & Allen, P.A.
100 Southeast 2nd Street, 21st Floor
Miami, Florida 33131

RE: MUR 4239

Dear Mr. Allen:

This responds to your facsimile letter dated August 22, 1995, requesting a 20-day extension until September 18, 1995, to respond to our notification letter to Harvey Friedman. The Office of General Counsel postponed consideration of your extension request pending receipt of Mr. Friedman's Statement designating you as his counsel. This Office received the Statement of Designation of Counsel from Mr. Friedman on August 28, 1995.

After considering the circumstances presented in your letter, this Office has granted the requested extension. Accordingly, your response is due by the close of business on September 18, 1995. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Dominique Dillenseger
Dominique Dillenseger
Attorney

96043732802

Law Offices

HOLLAND & KNIGHT

A Partnership Including Professional Corporations

2100 Pennsylvania Avenue, N.W.
Suite 400
Washington, D.C. 20037-3202
202-955-3000
FAX 202-955-5564

Atlanta
Fort Lauderdale
Jacksonville
Lakeland
Miami
Orlando
St. Petersburg
Tallahassee
Tampa
West Palm Beach

September 8, 1995

WILLIAM B. CANFIELD, III
202-862-5960

VIA HAND DELIVERY

Ms. Dominique Dillenseger, Esq.
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
SEP 11 9 10 PM '95

Re: M.U.R. 4239, Ted Arison

Dear Ms. Dillenseger:

This is to confirm and follow-up on our telephone conversation of earlier this week regarding our response to the Interrogatories requested by the Commission in the above captioned matter. As I indicated, the response to the Interrogatories has been completed and now awaits Mr. Arison's signature and oath.

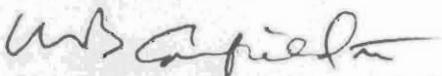
As I also indicated, both Mr. Arison's office and residence are located in Israel and his signature and oath must be obtained there. That effort will require that we ask the Commission to extend, until September 18, 1995, the time allocated for filing the Interrogatories with your office. I understand that you will be out of your office next week and, as a result, it would appear that our request for a brief extension will not adversely effect the disposition of M.U.R. 4239.

I greatly appreciate your attention to this request.

With best wishes,

Sincerely,

HOLLAND & KNIGHT


William B. Canfield, III

WBC/ja

WAS-121615

96043732803



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 12, 1995

William B. Canfield, III
Holland & Knight
2100 Pennsylvania Avenue, NW
Washington, DC 20037-3202

RE: MUR 4239
Ted Arison

Dear Mr. Canfield:

In the absence of Dominique Dillenseger, I am writing to respond to your letter of September 8, 1995, which this Office received on September 11, 1995, in which you request an extension of time until September 18, 1995 to respond to the Commission's interrogatories in the above-cited matter.

In light of the circumstances set forth in your letter, this Office has granted the request. Therefore, your client's answers to the interrogatories will be due by close of business on September 18, 1995.

If you have questions, please contact me at (202) 219-3400. Ms. Dillenseger will be back in the office on September 25.

Sincerely,

Anne A. Weissenborn
Acting Assistant
General Counsel

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

96043732804

Law Offices

HOLLAND & KNIGHT

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM

A Partnership Including Professional Corporations

2100 Pennsylvania Avenue, N.W.
Suite 400
Washington, D.C. 20037-3202
202-955-3000
FAX 202-955-5564

SEP 18 2 21 PM '95

Atlanta	Orlando
Fort Lauderdale	St. Petersburg
Jacksonville	Tallahassee
Lakeland	Tampa
Miami	West Palm Beach

September 18, 1995

WILLIAM B. CANFIELD, III
202-862-5960

SENSITIVE

Ms. Lee Ann Elliott
Vice Chairman
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463
Attn: Dominique Dillenseger, Esq.

Re: M.U.R. 4239, Ted Arison

Dear Vice Chairman Elliott:

This is in response to the Commission's Subpoena to Produce Documents and Order To Submit Written Answers, dated August 9, 1995, in the above captioned matter. Attached, you will find a facsimile copy of an Affidavit executed, under oath, by Mr. Arison, as well as copies of the documents which you requested and answers to the specific questions set forth in the Commission's Order.

Regarding the facsimilie Affidavit, pleased be advised that the original of the Affidavit is being forward to me from Mr. Arison's office in Tel Aviv, Israel by courier. As soon as I have the original in my possession, I will forward it to your office. My intention in providing a facsimilie Affidavit today was to comply with the Commission's determination that Mr. Arison's response to provided no later than the close of business on September 18, 1995. Regarding the documents, pleased be advised that copies of the requested documents are attached, as provided for in paragraph 3 of your "Request For Production Of Documents."

As I understand it, the Commission has found reason to believe that Mr. Arison may have violated 2 United States Code, section 441e, as the result of a contribution made by Mr. Arison to the Florida Congressional Committee on June 10, 1993. It is important to note for the record that the Commission's attention to this contribution came as a result of Mr. Arison's notification to the Commission, on April 25, 1995, that this contribution had been mistakenly made. Notwithstanding the assertion in the Commission's "Factual and Legal Analysis", supporting the Commission's finding of a "reason to believe", that this alleged violation was "ascertained by the Federal Election Commission ("the Commission")

96043732805

Ms. Lee Ann Elliott
RE: MUR 4239, Ted Arison
September 18, 1995
Page -2-

in the normal course of carrying out its supervisory responsibilities", it is clear from the record that this matter was brought to the Commission's attention by Mr. Arison.

The Commission's "Factual and Legal Analysis" also cites a statement made in Mr. Arison's affidavit of April 16, 1995 regarding campaign contributions made "prior to or after [he] became [a] resident in Israel in 1990...". This statement was intended to inform the Commission that after Mr. Arison voluntarily gave up his United States citizenship in late 1990, Mr. Arison made no further political contributions, federal, state or local, other than the one mistaken contribution which was made in 1993. Clearly Mr. Arison did not mean to leave the impression with the Commission that he had made no political contributions prior to giving up his United States citizenship. In fact, while a citizen of the United States, Mr. Arison was a contributor to political campaign committees in the United States. As you know, those federal contributions which met or exceeded the statutory reporting threshold would have been reported to the Commission by the recipient committee. We regret any confusion on this point.

Attached you will find the documents and Interrogatory responses which were requested in your letter of August 9, 1995. We trust that these materials will assist you in reaching a timely disposition of this matter. Accordingly, pursuant to 11 C.F.R. 111.18(d), we respectfully request pre-probable cause conciliation with the Commission regarding this alleged violation.

With best wishes,

Sincerely,

HOLLAND & KNIGHT



William B. Canfield, III

WBC/ja
Attachments

26043732806

AFFIDAVIT

In response to the Federal Election Commission's "Interrogatories And Request For Production Of Documents", dated August 8, 1995, the undersigned Ted Arison does hereby aver as follows:

1. I was born in Israel on February 24, 1924. I surrendered my Israeli citizenship, to the best of my recollection, in the early 1960's. I was naturalized as a United States citizen on February 16, 1962. On October 16, 1990, my Israeli passport and identity card were reissued. I remained a United States citizen until November 26, 1990 when I surrendered my United States passport in Tel Aviv, Israel.

2. The address of my permanent residence in Israel is as follows:

Golda Center
10 Berkovich Street
Apartment # 721
Tel Aviv, Israel.

3. Attached to and made part of this Affidavit are copies of "all official documents which evidence [my] change of citizenship and permanent residency and the effective date of that change." Attached are (1) a copy of a letter from the Embassy of the United States in Israel to me acknowledging that on November 26, 1990, I returned my United States passport to the Embassy; (2) a copy of the United States passport which I returned to the Embassy on November 26, 1990; (3) a copy of my Israeli passport, issued on October 16, 1990; and (4) a copy of my current Israeli election identification card. The latter is the Israeli equivalent of an American voter registration card.

4. I have not changed either my citizenship or my residency in Israel since November 26, 1990.

5. Between January 1, 1990 and the present, I made several contributions to "federal, state, and local candidates in the United States" and to "non-candidate political committees in the United States." These contributions are identified as follows:

(a) On February 21, 1990, I contributed \$500.00 to the Committee to Re-elect Judge Philip Bloom in Miami, Florida. A copy of that check is attached.

(b) On May 16, 1990, I contributed \$5000.00 to "Campaign America", a multi-candidate political committee associated with Senator Robert Dole. A copy of that check is attached.

(c) On May 16, 1990, I contributed \$1000.00 to the "Helms for Senate" committee and a copy of that check is attached. In addition, I understand that the Commission's records also reflect

96043732807

that on January 10, 1990, I contributed an additional \$1000.00 to the "Harms for Senate" committee. However, I am unable to locate a copy of this check.

(d) On May 16, 1990, I contributed \$1000.00 to the "Carl Levin Campaign Fund" committee. A copy of that check is attached.

(e) On May 22, 1990, I contributed \$1000.00 to the "Friends of Connie Mack" committee. A copy of that check is attached.

(f) On November 1, 1990, I contributed \$5000.00 to the "Victory '90" committee. From the endorsement on that check, it appears that the "Victory '90" committee was an entity of the Independent Republicans of Minnesota, non-federal account. A copy of that check is attached.

(g) On November 1, 1990, I contributed \$5000.00 to the "Florida Congressional Committee." A copy of that check is attached.

(h) Lastly, the sole remaining contribution to a federal, state or local candidate or to a non-candidate political committee in the United States made by me between January 1, 1990 and the present date was a \$5000.00 contribution made by me on June 10, 1993 to the "Florida Congressional Committee" and which is the subject of the Commission's Matter Under Review # 4239. A copy of that check will be found at Tab "B" of my submission to the Commission dated April 25, 1995.

6. Other than the \$5000.00 contribution which I mistakenly made to the "Florida Congressional Committee" on June 10, 1993, I have neither sought nor received a refund of any of the contributions listed in my response to Interrogatory # 5, above, for the reason that, with the sole exception of the \$5000.00 contribution to the "Florida Congressional Committee dated June 10, 1993, all other contributions were made by me prior to November 26, 1990 and thus were initiated in my capacity as a citizen of the United States and were appropriate under the Federal Election Campaign Act.

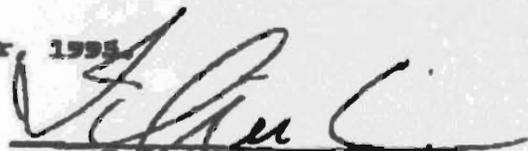
7. Regarding the circumstances surrounding the June 10, 1993 contribution to the "Florida Congressional Committee", my best recollection is that while I was visiting Miami, Florida on January 22, 1993, I was approached by Mr. Harvey Friedman about making a contribution to the Florida Congressional Committee, a political committee to whom I had previously made a contribution. At that meeting, I agreed to make a contribution to the committee. As related in the text of and at Tabs "B", "C" and "D" of my submission to the Commission dated April 25, 1995, my office in Tel Aviv, Israel subsequently received an invoice from the Florida Congressional Committee. I was thereafter notified by my office about the receipt of this invoice and, in response, my personal check in the amount of \$5000.00 was forwarded to the Committee on June 10, 1993. At the time of this solicitation and resultant

9 5 0 4 3 3 2 8 0 8

contribution, I was unaware that a provision of federal law prohibits a non-citizen from making a political contribution to a candidate or political committee in the United States. When apprised of this fact, on April 14, 1995, I immediately requested a refund of the contribution from the Florida Congressional Committee. On that same day, my contribution was refunded by the Committee, as is established at Tabs "D" and "E" of my submission to the Commission dated April 25, 1995 and in my Affidavit of April 16, 1995, which was appended to that submission.

Further affiant says no more.

Dated this 16 th day of September, 1995.


 Tom Arison

Witness: 
 (Signature)

PAMELA A. RICHMAN
 (Printed Name)

Witness: 
 (Signature)

Nomi Sharan
 (Printed Name)

was-2/25

96043732809

RECEIVED SEP 18 1995

(MON) 09.18.95 10:52/ST. 10:51/NO. 3560715795 P 4

FROM HOLLAND & KNIGHT MIAMI

100 S.E. 2ND STREET 32ND FLOOR
MIAMI, FL 33138

Private Banking Center 1900
One S.E. Financial Center
MIAMI, FL 33131

650

00117

P 3 TOTAL \$1722.54

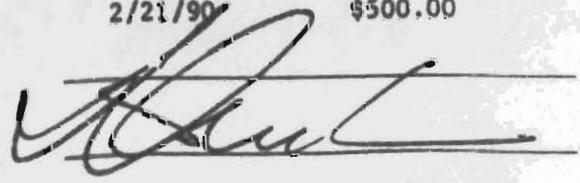
CHECK NO 1176

****FIVE HUNDRED DOLLARS****

DATE 2/21/90 AMOUNT \$500.00

PAY
TO THE
ORDER
OF

COMMITTEE TO RE-ELECT JUDGE PHILIP BLOOM
P. O. BOX 010305
Miami, Fl. 33101-0305



96043732810

9 6 0 4 3 3 2 8 1 1

PAY TO THE ORDER OF
CITY NATIONAL BANK
MIAMI, FLORIDA 33130
066004367

FOR DEPOSIT ONLY
CAMPAIGN ACCOUNT OF
JUDGE PHILIP BLOOM
1001542208

DO NOT WRITE STAMP OR SIGN BELOW THIS LINE

1001542208

28-FEB-1990

X097009432<

47528429

71018678

48 90 01

PROCESSED

TED ARISON BUSINESS ACCOUNT
100 S.E. 2ND STREET 32ND FLOOR
MIAMI, FL 33131-2138

SOUTHEAST BANK, N.A.
Private Banking Center 1900
One S.E. Financial Center
Miami, FL 33131

63-58
660

00129

CHECK NO 1292

****FIVE THOUSAND DOLLARS****

PAY
TO THE
ORDER
OF

CAMPAIGN AMERICA

141242754 0017 0024 00 05-11-90
DATE 5/16/90 AMOUNT \$5,000.00

502724889 25 05 20693 522228300

96043732812

96043732813

100

ME

6

DO NOT WRITE STAMP OR SIGN OVER THIS LINE
CAUTION

ORHO-COLO-9
14124275H OS-31490

MY OCT 31
OS BANK VA
OS BANK VA
OS-30-90 25
OS BANKS

TED ARISON BUSINESS ACCOUNT
100 S.E. 2ND STREET 32ND FLOOR
MIAMI, FL 33131-2136

SOUTHEAST BANK, N.A.
Private Banking Center 1909
One S.E. Financial Center
Miami, FL 33131

63-58
660

001.

CHECK NO. 1293

****ONE THOUSAND DOLLARS****

PAY
TO THE
ORDER
OF

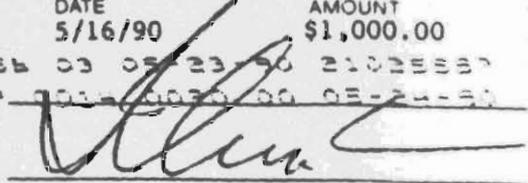
HELMS FOR SENATE

111

DATE
5/16/90

AMOUNT
\$1,000.00

003206956 03 05 23 90 21025537
149211937 0016 0030 00 05-24-90



96043732814

9 6 0 4 3 7 3 2 8 1 5

CENTRAL CAROLINA BANK
RALEIGH, NC 27609

053100465

FOR DEPOSIT ONLY
HELMS FOR SENATE

421025587

DO NOT WRITE IN THESE SPACES BELOW THIS LINE

5 3 8 1

1 3 7 0 1

053100465
CENTRAL CAROLINA BANK
RALEIGH, NC

4 2 1 0 2 5 5 8 7

9 6 0 4 3 7 3 2 8 1 5

0531

00465

053100465

053100465

00465

FEDERAL RESERVE BOARD OF GOVERNORS REG. C.C.

TED ARISON
100 S.E. 2ND STREET 2ND FLOOR
MIAMI, FL 33137-2136

GARNETT BANK
701 Brickell Avenue
Miami, FL 33131

63-398
670
001710

CHECK NO. 1710

Five thousand dollars only
07-08 3580 102 NB

DATE
Tel Aviv, June 10, 1993
AMOUNT
\$5,000.-

PAY
TO THE
ORDER
OF
Florida Congressional Committee

07-07-93


002540139

91823734096

9 6 0 4 3 3 2 8 1 7

02540137 07-07-93
1 06300604 J
JV 07 07
JUL 93
07-08-93
029124
067003965

028 / 0 4 9 4

ENDORSE PAY TO THE ORDER OF
X CAPITAL D/...
NORTH MIAMI BEACH, FL 33149
05700614
FOR DEPOSIT ONLY
North Commercial Center
060004125
DO NOT WRITE STAMP OR SIGN IN THESE SPACES
RESERVED FOR FINANCIAL INSTITUTIONS

TED ARISON BUSINESS ACCOUNT
100 S.E. 2ND STREET 32ND FLOOR
MIAMI, FL 33131-2138

SOUTHERN BANK, N.A.
Private Banking Center 1909
One S.E. Financial Center
Miami, FL 33131

63-58
560

00152

CHECK NO 1521

****FIVE THOUSAND DOLLARS****

DATE
11/1/90

AMOUNT
\$5,000.00

PAY
TO THE
ORDER
OF

FLORIDA CONGRESSIONAL COMMITTEE

11-08-90

001130275

9
6
0
4
3
3
2
8
1
8

TED ARISON BUSINESS ACCOUNT
100 S.E. 2ND STREET 2ND FLOOR
MIAMI, FL 33131-2138

SOUTHEASTERN BANK, N.A.
Private Bank Center 1909
One South Financial Center
Miami, FL 33131

6358
685

001520

CHECK NO 520

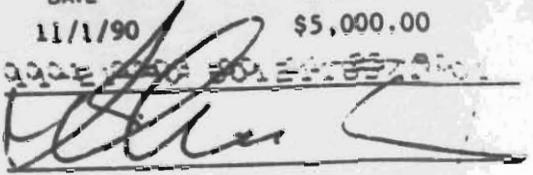
FIVE THOUSAND DOLLARS

DATE
11/1/90

AMOUNT
\$5,000.00

PAY
TO THE
ORDER
OF

VICTORY '90

~~331783343~~ 0000 0000 001520


96043732820

TED ARISON BUSINESS ACCOUNT
100 S.E. 2ND STREET 32ND FLOOR
MIAMI, FL 33131-2138

SOUTHERN BANK, N.A.
Private Banking Center 1909
One S.E. Financial Center
Miami, FL 33131

63-58
660

00152

CHECK NO 1521

****FIVE THOUSAND DOLLARS****

PAY
TO THE
ORDER
OF

FLORIDA CONGRESSIONAL COMMITTEE

DATE
11/1/90

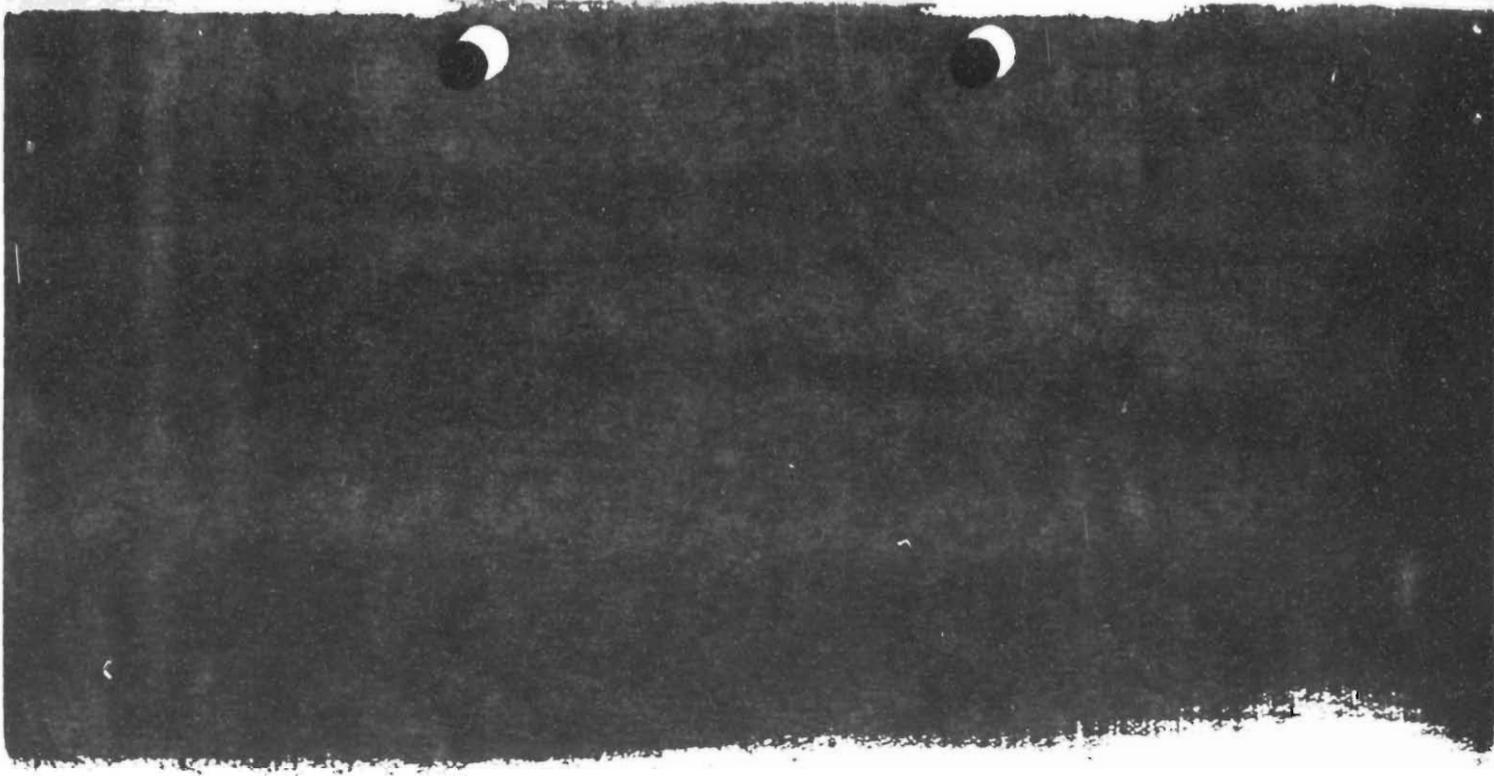
AMOUNT
\$5,000.00

11-08-90

001120279

9
6
0
4
3
7
3
2
8
2
2

9404333253



361 3607

WA
WA
WA

8 JUN 90

SA J D
SOUTHEAST BAA
OPERATIONS CENTER

TED ARISON
100 S.E. 2ND STREET 2ND FLOOR
MIAMI, FL 33131-2136

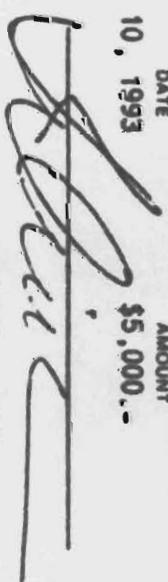
BARNETT BANK
701 BRICKELL AVENUE
MIAMI, FL 33131

03398
070
001710

CHECK NO. 1710

Five thousand dollars only 07-07 3680 102 NB

DATE
Tel Aviv, June 10, 1993 \$5,000.-



07-07-93 002340137

AV
2 THE
ROSEN
Florida Congressional Committee

4
9 6 0 4 3 7 3 2 8 2 4

PAY TO THE ORDER OF
MANUFACTURERS NATIONAL BANK
DETROIT
FRIENDS OF SENATOR CARL
ALLEN

DO NOT WRITE STAMP OR SIGN BELOW THIS LINE

2572 1979

24
N EAST
DETROIT MI 48203

1000

1000
1000
1000
1000
1000
1000
1000
1000
1000
1000

0660-0010-9
:27845581 06-11-90

DE WIDEN
DETROIT MI
1000

FEDERAL RESERVE BOARD OF GOVERNORS REG. C.C.

96043732825

ENGELS, PERTNOY, SOLOWSKY & ALLEN, P.A.

RICHARD L. ALLEN
MARTIN ENGELS
ALFRED I. HOPKINS
LORI J. JOHNSON
LEAH LARIVIERE
SIDNEY M. PERTNOY
JAY H. SOLOWSKY
SUZANNE H. YOUMANS

OF COUNSEL
STEVEN H. BROTMAN

21ST FLOOR
INTERNATIONAL PLACE
100 SOUTHEAST 2ND STREET
MIAMI, FLORIDA 33101

TELEPHONE (305) 371-2223
BROWARD (305) 522-5668
FAX (305) 373-2073

September 18, 1995

VIA FACSIMILE - (202) 219-3923

Dominique Dillenseger, Esq.
Federal Election Commission
Office of the General Counsel
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 4239

Dear Ms. Dillenseger:

This letter constitutes the response of Harvey Friedman, Florida Congressional Committee ("FCC") and Forrest B. Raffel, as FCC Treasurer (collectively "Respondents") in the above-referenced matter.

As I previously mentioned to you on the telephone, Respondents are interested in pursuing pre-probable cause conciliation. We are hopeful that an amicable resolution of this matter can be reached through conciliation.

With respect to the merits of this matter, I understand that the Federal Election Committee ("FEC") is concerned that Respondents may have violated the Federal Election Campaign Act of 1971, as amended, wherein it provides that it shall be unlawful for a foreign national, directly or through any other person, to make any contribution of money in connection with an election to any political office or for any person to solicit, accept or receive any such contribution from a foreign national. 2 U.S.C. § 441(e). The Factual and Legal Analysis provided to Respondents by FEC alleges that Ted Arison, a citizen of Israel and a foreign national since 1990, made a \$5,000 contribution to FCC on June 10, 1993. The contribution to FCC was refunded on or about April 14, 1995. The Factual and Legal Analysis also states that Mr. Arison was solicited for a contribution on January 22, 1993, "during a visit to the United States."

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

SEP 21 11 55 AM '95

96043732896

Dominique Dillenseger, Esq.

September 18, 1995

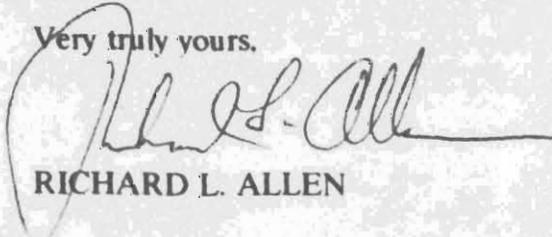
Page 2

In the first instance, Respondents had no knowledge that Mr. Arison had been a foreign national since 1990. Although the check in question is marked "Tel Aviv", such a notation on a check cannot form the basis of any such knowledge on the part of Respondents. Although Mr. Arison retains a residence in Israel, he also maintains a presence in Miami, Florida, and since 1990 has spent considerable time in South Florida. Mr. Arison's family is the principal owner of Carnival Cruise Lines and Mr. Arison is known to be a principal with the Miami NBA franchise basketball team, the Miami Heat. Mr. Arison is regularly seen at Miami Heat games in Miami, Florida. Indeed, as noted by FEC, Mr. Arison was solicited in the United States.

Moreover, Mr. Arison's \$5,000 contribution to FCC on June 10, 1993 was not a contribution "to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office" as proscribed by 2 U.S.C. § 441(e). The solicitation of Mr. Arison was likewise not a solicitation for a contribution to such political office, but rather was a solicitation for a contribution to FCC. Additionally, not only was Mr. Arison's \$5,000 contribution returned to him and, therefore, not contributed to any political candidates, but the Reports of Receipts and Disbursements filed by FCC for the period between the June 10, 1993 contribution and the refund made to Mr. Arison on April 14, 1995 show administrative expenses and operating expenditures in excess of \$5,000 during said period. These expenses were in no way contributions in connection with an election to any political office. Accordingly, not only was Mr. Arison's contribution to FCC returned to him, but even had the contribution not been refunded, the contribution was not used for purposes in violation of the Federal Election Campaign Act of 1971.

I look forward to hearing from you on your review of this response and discussions concerning pre-probable cause conciliation.

Very truly yours,



RICHARD L. ALLEN

RLA:wpd:rjk

cc: Florida Congressional Committee
Mr. Forrest B. Raffel
Mr. Harvey Friedman

96043732827

Law Offices

HOLLAND & KNIGHT

A Partnership Including Professional Corporations

2100 Pennsylvania Avenue, N.W.
Suite 400
Washington, D.C. 20037-3202
202-955-3000
FAX 202-955-5564

Atlanta
Fort Lauderdale
Jacksonville
Lakeland
Miami
Orlando
St. Petersburg
Tallahassee
Tampa
West Palm Beach

September 21, 1995

WILLIAM B. CANFIELD, III
202-862-5960

VIA HAND DELIVERY

Ms. Lee Ann Elliott
Vice Chairman
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463
Attn: Dominique Dillenseger, Esq.

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

SEP 21 1 33 PM '95

Re: M.U.R. 4239, Ted Arison

Dear Vice Chairman Elliott:

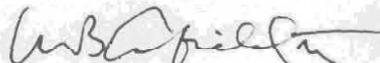
As referenced in my submission to you dated September 18, 1995, in the above captioned matter, I have been awaiting the receipt, from Tel Aviv, Israel, of the original Affidavit executed by Mr. Arison in response to the Commission's Subpoena to Produce Documents and Order to Submit Written Answers of August 9, 1995. As you will recall, my submission of September 18, 1995 included a facsimile of the Affidavit because we were unable to obtain Mr. Arison's original Affidavit prior to the date on which our submission was due.

Enclosed you will find the original of the Affidavit which was received in my office this morning. Please include this original document in your file on M.U.R. 4239.

With best wishes,

Sincerely,

HOLLAND & KNIGHT


William B. Canfield, III

WBC/ja
Encl.
WAS-123622

9604373288

ORIGINAL

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

SEP 21 1 33 PM '95

AFFIDAVIT

In response to the Federal Election Commission's "Interrogatories And Request For Production Of Documents", dated August 8, 1995, the undersigned Ted Arison does hereby aver as follows:

1. I was born in Israel on February 24, 1924. I surrendered my Israeli citizenship, to the best of my recollection, in the early 1960's. I was naturalized as a United States citizen on February 16, 1962. On October 16, 1990, my Israeli passport and identity card were reissued. I remained a United States citizen until November 26, 1990 when I surrendered my United States passport in Tel Aviv, Israel.

2. The address of my permanent residence in Israel is as follows:

Golda Center
10 Berkovich Street
Apartment # 721
Tel Aviv, Israel.

3. Attached to and made part of this Affidavit are copies of "all official documents which evidence [my] change of citizenship and permanent residency and the effective date of that change." Attached are (1) a copy of a letter from the Embassy of the United States in Israel to me acknowledging that on November 26, 1990, I returned my United States passport to the Embassy; (2) a copy of the United States passport which I returned to the Embassy on November 26, 1990; (3) a copy of my Israeli passport, issued on October 16, 1990; and (4) a copy of my current Israeli election identification card. The latter is the Israeli equivalent of an American voter registration card.

4. I have not changed either my citizenship or my residency in Israel since November 26, 1990.

5. Between January 1, 1990 and the present, I made several contributions to "federal, state, and local candidates in the United States" and to "non-candidate political committees in the United States." These contributions are identified as follows:

(a) On February 21, 1990, I contributed \$500.00 to the Committee to Re-elect Judge Philip Bloom in Miami, Florida. A copy of that check is attached.

(b) On May 16, 1990, I contributed \$5000.00 to "Campaign America", a multi-candidate political committee associated with Senator Robert Dole. A copy of that check is attached.

(c) On May 16, 1990, I contributed \$1000.00 to the "Helms for Senate" committee and a copy of that check is attached. In addition, I understand that the Commission's records also reflect

9604373289

that on January 10, 1990, I contributed an additional \$1000.00 to the "Helms for Senate" committee. However, I am unable to locate a copy of this check.

(d) On May 16, 1990, I contributed \$1000.00 to the "Carl Levin Campaign Fund" committee. A copy of that check is attached.

(e) On May 22, 1990, I contributed \$1000.00 to the "Friends of Connie Mack" committee. A copy of that check is attached.

(f) On November 1, 1990, I contributed \$5000.00 to the "Victory '90" committee. From the endorsement on that check, it appears that the "Victory '90" committee was an entity of the Independent Republicans of Minnesota, non-federal account. A copy of that check is attached.

(g) On November 1, 1990, I contributed \$5000.00 to the "Florida Congressional Committee." A copy of that check is attached.

(h) Lastly, the sole remaining contribution to a federal, state or local candidate or to a non-candidate political committee in the United States made by me between January 1, 1990 and the present date was a \$5000.00 contribution made by me on June 10, 1993 to the "Florida Congressional Committee" and which is the subject of the Commission's Matter Under Review # 4239. A copy of that check will be found at Tab "B" of my submission to the Commission dated April 25, 1995.

6. Other than the \$5000.00 contribution which I mistakenly made to the "Florida Congressional Committee" on June 10, 1993, I have neither sought nor received a refund of any of the contributions listed in my response to Interrogatory # 5, above, for the reason that, with the sole exception of the \$5000.00 contribution to the "Florida Congressional Committee dated June 10, 1993, all other contributions were made by me prior to November 26, 1990 and thus were initiated in my capacity as a citizen of the United States and were appropriate under the Federal Election Campaign Act.

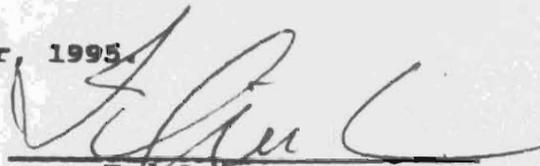
7. Regarding the circumstances surrounding the June 10, 1993 contribution to the "Florida Congressional Committee", my best recollection is that while I was visiting Miami, Florida on January 22, 1993, I was approached by Mr. Harvey Friedman about making a contribution to the Florida Congressional Committee, a political committee to whom I had previously made a contribution. At that meeting, I agreed to make a contribution to the committee. As related in the text of and at Tabs "B", "C" and "D" of my submission to the Commission dated April 25, 1995, my office in Tel Aviv, Israel subsequently received an invoice from the Florida Congressional Committee. I was thereafter notified by my office about the receipt of this invoice and, in response, my personal check in the amount of \$5000.00 was forwarded to the Committee on June 10, 1993. At the time of this solicitation and resultant

96043732870

contribution, I was unaware that a provision of federal law prohibits a non-citizen from making a political contribution to a candidate or political committee in the United States. When apprised of this fact, on April 14, 1995, I immediately requested a refund of the contribution from the Florida Congressional Committee. On that same day, my contribution was refunded by the Committee, as is established at Tabs "D" and "E" of my submission to the Commission dated April 25, 1995 and in my Affidavit of April 16, 1995, which was appended to that submission.

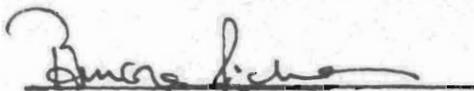
Further affiant sayeth not.

Dated this 16 th day of September, 1995.



Ted Arison

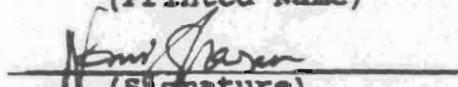
Witness:



(Signature)

PAMELA RICHMAN
(Printed Name)

Witness:



(Signature)

Nomi Sharer
(Printed Name)

Law Offices

HOLLAND & KNIGHT

A Partnership Including Professional Corporations

2100 Pennsylvania Avenue, N.W.
Suite 400
Washington, D.C. 20037-3202
202-955-3000
FAX 202-955-5564

Atlanta	Orlando
Fort Lauderdale	St. Petersburg
Jacksonville	Tallahassee
Lakeland	Tampa
Miami	West Palm Beach

January 4, 1996

WILLIAM B. CANFIELD, III
202-862-5960

VIA HAND DELIVERY

Dominique Dillenseger, Esq.
Federal Election Commission
999 E Street, NW
Washington, DC 20463

RECEIVED
 FEDERAL ELECTION
 COMMISSION
 OFFICE OF GENERAL
 COUNSEL
 JAN 5 9 37 AM '96

RE: MUR 4239, Ted Arison

Dear Ms. Dillenseger:

As you requested, I am pleased to forward a sworn statement by Mr. Ted Arison setting forth his present recollection regarding the facts and circumstances surrounding his lawful personal contribution of \$5,000 to the Florida Congressional Committee on November 1, 1990. As you will recall, Mr. Arison was, on the date of this contribution, a citizen of the United States.

The sworn statement provided by Mr. Arison is, of course, his best present recollection of an event which occurred nearly six years ago. The solicitation by the Florida Congressional Committee of Mr. Arison was not, in and of itself, a significant event in Mr. Arison's very active professional and personal life. As a result, his sworn statement attempts to reconstruct, to the best of his ability, the events surrounding this 1990 contribution.

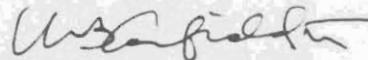
I trust that this statement will be helpful to you and that it will enable the Commission to move forward to a prompt resolution of this matter.

If I can be of my additional assistance to you, please feel free to call me directly.

With best wishes,

Sincerely,

HOLLAND & KNIGHT



William B. Canfield, III

WBC/ja
Encl.

cc: Andrew Weinstein, Esq.
WAS 142355

96043732832

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

JAN 5 9 37 AM '96

Mercaz Golda
23 Shaul Hamelech Boulevard
Tel Aviv 64367 Israel

Dominique Dillenseger, Esq.
Federal Election Commission
999 E Street NW
Washington, D. C. 20463

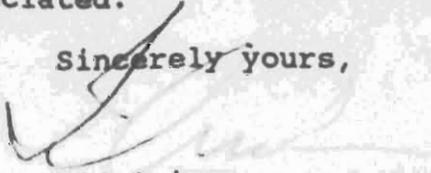
Dear Ms. Dillenseger:

This is in response to your request to my counsel, Holland & Knight, for an explanation as to my November 1, 1990 payment to the Florida Congressional Committee ("FCC"). To the best of my recollection, I committed to make contributions over a 10-year period to the FCC which I expected to pay at the rate of \$5,000.00 per annum. Earlier in 1990, Harvey Friedman of FCC came to my office on NW 87th Avenue in Miami, Florida, to solicit my annual payment. I have known Mr. Friedman for many years through our common interest in Israel's welfare. This was a normal visit, similar to prior visits to solicit contributions consistent with my commitment.

When I issued my check for the \$5,000 payment, I was in the process of cleaning up a number of outstanding commitments and obligations before I finally left the United States to return to my native Israel. I did not, at that time, inform Mr. Friedman or anyone else at FCC that I was returning to Israel. I simply issued a check to satisfy the 1990 installment for my earlier commitment.

I trust that this explanation will be of assistance to you. Your consideration is most appreciated.

Sincerely yours,


Ted Arison

cc: William B. Canfield

96043732833

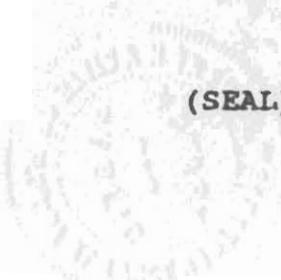
Dominique Dillenseger, Esq.
Page Two

STATE OF FLORIDA

COUNTY OF DADE

The foregoing instrument was acknowledged before me this
2d day of January, 1996, by TED ARISON, who is
personally known to me.

(SEAL)


Andrew H. Wenzel
Notary Public-State of Florida
Commission Number:
My Commission expires 3/17/98
Bonded thru Troy Fair Insurance, Inc
CC# 353649

96043732834

FEB 2 12 43 PM '96

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Ted Arison) MUR: 4239
Harvey Friedman)
The Florida Congressional Committee)
and Forrest B. Raffel, as treasurer)

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On August 1, 1995, the Federal Election Commission ("the Commission") found reason to believe that Ted Arison, a foreign national, violated 2 U.S.C. § 441e by making a \$5,000 contribution to the Florida Congressional Committee on June 30, 1993. The Commission also found reason to believe that the Florida Congressional Committee and Forrest B. Raffel, as treasurer, ("the FCC"), and Harvey Friedman, the FCC official who solicited the contribution from Mr. Arison, each violated 2 U.S.C. § 441e. In addition, the Commission approved a discovery request directed to Mr. Arison concerning his citizenship status and other contributions. Counsel for Ted Arison submitted responses which include Mr. Arison's affidavits in response to the written discovery. Attachments 1 and 2. Both Mr. Friedman and the FCC are represented by the same counsel and a joint response was submitted for both. Attachment 3. All the respondents have requested pre-probable cause conciliation.

II. ANALYSIS

A. Ted Arison

In his sua sponte submission to the Commission, Mr. Arison claimed that his June 10, 1993, contribution was the only federal contribution he had made since becoming a citizen of

9 6 0 4 3 7 3 2 8 3 5

Israel in 1990. Mr. Arison, however, did not reveal the specific date in 1990 when he changed his citizenship. The date is important because disclosure documents reveal that Mr. Arison made other federal contributions throughout 1990, including a contribution to the FCC dated November 6, 1990. The Commission's written discovery sought to clarify Mr. Arison's citizenship status, including the date of his change in citizenship, what federal, state or local contributions he has made since that change, and the circumstances surrounding his 1990 contribution to the FCC.

Citizenship Status: By affidavit, Mr. Arison, a native of Israel and a naturalized citizen of the U.S. between 1962 and 1990, avers that he relinquished his U.S. citizenship on November 26, 1990, when he surrendered his passport to the U.S. Embassy in Israel. Attachment 1, Affidavit of Ted Arison at ¶ 1. The affidavit includes a copy of a letter from the U.S. Embassy in Israel dated November 26, 1990, acknowledging receipt of the U.S. passport, and a copy of the first page of the passport which was returned to the embassy.¹ Attachment 1, pp. 6-7. Mr. Arison also avers that he has not changed his citizenship or residency status in Israel since November 26, 1990. Affidavit of Ted Arison at ¶ 4. Accordingly, based on the information provided, it appears that Mr. Arison became a foreign citizen on November 26, 1990.

¹ The affidavit also includes copies of Mr. Arison's Israeli passport which was reissued on October 16, 1990, and an Israeli election identification card. Attachment 1, pp. 8-9. The reissuance of Mr. Arison's Israeli passport alone would not affect his U.S. citizenship. By statute, a U.S. citizen only loses his citizenship if he voluntarily performs an expatriating act with the intention of relinquishing U.S. citizenship. 8 U.S.C. § 1481(a). There must be a showing of a specific intent to relinquish U.S. citizenship. Kahane v. Shultz, 653 F.Supp. 1486 (E.D.N.Y. 1987); Kahane v. Secretary of State, 700 F.Supp. 1162 (D.D.C. 1988). Therefore, Mr. Arison did not relinquish his U.S. citizenship until he returned his U.S. passport to the embassy.

96043732836

Other Contributions: Mr. Arison avers that, except for the \$5,000 contribution made to the FCC on June 10, 1993, he has made no other political contributions (federal, state, or local) since his change of citizenship on November 26, 1990.² Based on the information Mr. Arison has provided concerning his other contributions and upon FEC disclosure documents, it does not appear that Mr. Arison has made any other contributions since his change of citizenship.

Contributions to the FCC: In the written discovery request, Mr. Arison was specifically asked to describe the circumstances surrounding the earlier 1990 contribution to the FCC, to identify the person who solicited the contribution, and to describe when and where the solicitation was made. Although the contribution was made before the change in citizenship, it was considered prudent to find out more about Mr. Arison's earlier contribution to the FCC and who solicited it before making further recommendations about Mr. Friedman and the FCC.

In response, Mr. Arison explains that he had earlier committed to making annual \$5,000 contributions to the FCC for a 10-year period, and that the 1990 contribution was an installment in fulfillment of this commitment.³ Attachment 2, p. 2. Mr. Arison further explains that he has known Mr. Friedman for many years, that Mr. Friedman personally solicited the 1990 contribution and that "[t]his was a normal visit, similar to prior visits to solicit contributions consistent with [his] commitment." *Id.* Finally, Mr. Arison asserts that when he issued the \$5,000 payment in 1990, he "did not, at that time, inform Mr. Friedman or anyone else at FCC that [he] was returning to Israel." *Id.*

² The affidavit also provides a listing of other campaign contributions, along with copies of the checks, which were made in 1990. Affidavit of Ted Arison at ¶ 5; Attachment 1, pp. 10-17.

³ FEC indices reflect other \$5,000 contributions to the FCC in 1982, 1986, 1988, and 1990.

9
6
0
4
3
7
3
2
3
7

Finally, in mitigation with regard to his 1993 contribution, Mr. Arison contends that:

(1) he was unaware of the statutory prohibition against foreign national contributions at the time of the contribution; (2) upon learning of the prohibition on April 14, 1995, he took immediate steps to seek a refund of the contribution and to report it to the Commission; and (3) other than the one mistaken contribution in 1993, he has made no other contributions since his change of citizenship. Affidavit of Ted Arison at ¶¶ 6-7.

B. Harvey Friedman/ The Florida Congressional Committee and Forrest B. Raffel, as treasurer

In response, counsel for Mr. Friedman and the FCC basically argues that neither respondent knew that Mr. Arison had been a foreign national since 1990, and that there was no violation of 2 U.S.C. § 441e because the contribution was not used for purposes violative of the Act. Attachment 3, p. 2.

In support of the contention that neither Mr. Friedman nor the FCC knew that Mr. Arison had been a foreign national since 1990, counsel argues that: (1) the "Tel Aviv" notation on the check "cannot form the basis" of such knowledge; (2) Mr. Arison was solicited in the United States; and, (3) "[a]lthough Mr. Arison retains a residence in Israel, he also maintains a presence in Miami, Florida, and since 1990 has spent considerable time in South Florida" in connection with the Arison family's ownership of Carnival Cruise Lines and the Miami NBA franchise basketball team. *Id.*

A review of Miami Herald newspaper articles for the period 1990 to the present reveals widespread coverage of Mr. Arison retirement to Israel in 1990 and his subsequent visits to South Florida in connection with his family and business interests. The Miami Herald has also

9
6
0
4
3
3
2
8
3
8

reported on Mr. Arison's change of citizenship in at least two articles which appeared in March and August 1992, and this well before the 1993 solicitation.⁴ Although it is possible that the FCC and Mr. Friedman were unaware Mr. Arison had become a foreign citizen at the time of the solicitation, this appears unlikely given the long association between Mr. Arison and the FCC, the personal solicitations by Mr. Friedman, contributions from Mr. Arison, and the coverage in the local newspapers regarding Mr. Arison's move to Israel. In any event, it seems clear that both the FCC and Mr. Friedman knew Mr. Arison had moved to Israel and they should have inquired about his citizenship status when they solicited the contribution.

Counsel argues in the alternative that the solicitation for the contribution and the contribution itself did not violate 2 U.S.C. § 441(e) because: (1) this was a contribution to the FCC and not a contribution to a political office or in connection with an election; (2) the contribution "was not used for purposes in violation of the . . . Act," because the FCC spent in excess of \$5,000 in administrative expenses and operating expenditures during the period between the June 10, 1993, contribution and the refund on April 14, 1995; and (3) the contribution was eventually refunded and was therefore not used for candidate support. *Id.*

Counsel's contention that the contribution to the FCC is not a violation of the Act because it was a contribution to a political committee and not a contribution in connection with any election is a false distinction. The FCC is a political committee registered with the Commission. Therefore, all its receipts are subject to the prohibitions and limitations applicable

⁴ See Ted Reed, "Ex-Chairman is Retired -- But Just Barely," Miami Herald, March 8, 1992, at 1K; and, David Satterfield, "Income Tax Rules Don't Apply at Sea," Miami Herald, August 10, 1992. Attachment 4. See also David Satterfield, "Arison Seems to Set Sail," Miami Herald, August 2, 1993.

9
6
0
4
3
3
2
8
7
9

under the Act. Mr. Arison's donation was clearly reported as a contribution on Schedule A of the FCC disclosure report.

Similarly, counsel's argument that the contribution was not used for purposes in violation of the Act because the FCC spent over \$5,000 in administrative expenses during the period between the receipt and refund of the contribution is not supported by the Act or the regulations. Once a committee qualifies as a political committee under the Act and registers and reports as such, all of its expenditures are reportable and must be made with permissible funds. The Commission has found, for example, that contributions used to defray a committee's rental expenses are for the purpose of influencing an election just as if the contributions had been used to support a candidate because "the expenses of administering a political committee are 'ordinary and necessary' to the performance of its function of supporting candidates for Federal office." AO 1978-78 [¶ 5362].⁵ In short, even had Arison's donation been specifically set aside for purposes other than direct candidate support, it would still be a contribution.

Finally, the contention that the refund of the prohibited contribution cured the violation is also incorrect. The FCC's refund of the \$5,000 contribution did not cure the violation because the refund was made nearly two years after the contribution and thus not within thirty days of the treasurer's receipt of the prohibited contribution as required by the regulations. 11 C.F.R. § 103.3(b)(1).

⁵ In AO 1978-78, the Commission added that "[t]his is recognized implicitly in the Act which makes an express exception from the definition of "contribution" for the administrative expenses of corporations and labor organizations having segregated funds, pursuant to 2 U.S.C. § 441b.

9
6
0
4
3
3
2
8
1
0

III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY**A. Ted Arison**

Counsel for Mr. Arison has requested pre-probable cause conciliation. This Office recommends that the Commission enter into pre-probable cause conciliation with Mr. Arison. Attached for the Commission's approval is a proposed conciliation agreement

B. Harvey Friedman/ The Florida Congressional Committee and Forrest B. Raffel, as treasurer

Counsel for Mr. Friedman, the FCC, and Mr. Raffel, as treasurer, has also requested pre-probable cause conciliation. This Office recommends that the Commission enter into pre-probable conciliation with these respondents. In light of the common counsel for these respondents and the intricately related facts, this Office has drafted one conciliation agreement for all three respondents.

9
6
0
4
3
3
2
8
1

IV. **RECOMMENDATIONS**

1. Enter into conciliation with Ted Arison prior to a finding of probable cause to believe.
2. Approve the proposed conciliation agreement with Ted Arison.
3. Enter into conciliation with Harvey Friedman and the Florida Congressional Committee and Forrest B. Raffel, as treasurer, prior to a finding of probable cause to believe.
4. Approve the proposed conciliation agreement with Harvey Friedman and the Florida Congressional Committee and Forrest B. Raffel, as treasurer.
5. Approve the appropriate letters.

Lawrence M. Noble
General Counsel

Date

2/2/96

BY:


Lois G. Lerner
Associate General Counsel

Attachments

1. Response of Ted Arison, dtd September 18, 1995
2. Supplemental Response of Ted Arison, dtd January 4, 1995
3. Joint Response of Harvey Friedman and the Florida Congressional Committee and Forrest B. Raffel, as treasurer, dtd September 18, 1995
4. Newspaper Articles
5. Conciliation Agreement, Ted Arison
6. Conciliation Agreement, Harvey Friedman, the Florida Congressional Committee, and Forrest B. Raffel, as treasurer.

Staff Assigned: Dominique Dillenseger

9
5
0
4
3
3
2
8
1
2



FEDERAL ELECTION COMMISSION
WASHINGTON DC 20461

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/BONNIE J. ROSS
COMMISSION SECRETARY

DATE: FEBRUARY 8, 1996

SUBJECT: MUR 4239 - GENERAL COUNSEL'S REPORT
DATED FEBRUARY 2, 1996.

The above-captioned document was circulated to the Commission on Monday, February 5, 1996 at 11:00 a.m.

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens	<u>XXX</u>
Commissioner Elliott	<u> </u>
Commissioner McDonald	<u> </u>
Commissioner McGarry	<u>XXX</u>
Commissioner Potter	<u> </u>
Commissioner Thomas	<u>XXX</u>

This matter will be placed on the meeting agenda for Tuesday, February 13, 1996.

Please notify us who will represent your Division before the Commission on this matter.

96043732813

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 4239
Ted Arison;)
Harvey Friedman;)
The Florida Congressional)
Committee and Forrest B.)
Raffel, as treasurer)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on February 13, 1996, do hereby certify that the Commission decided by a vote of 4-0 to take the following actions in MUR 4239:

1. Enter into conciliation with Ted Arison prior to a finding of probable cause to believe.
2. Approve the proposed conciliation agreement with Ted Arison.
3. Enter into conciliation with the Florida Congressional Committee and Forrest B. Raffel, as treasurer, prior to a finding of probable cause to believe.
4. Take no further action with regard to Harvey Friedman.
5. Approve the proposed conciliation agreement with the Florida Congressional Committee and Forrest B. Raffel, as treasurer

(continued)

96043332814

6. Approve appropriate letters.

Commissioners Aikens, Elliott, McGarry, and Thomas
voted affirmatively for the decision; Commissioner
McDonald was not present.

Attest:

2/13/96
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

96043732845



FEDERAL ELECTION COMMISSION
Washington, DC 20463

February 20, 1996

Richard Allen, Esquire
Engels, Pertnoy, Solowsky & Allen, P.A.
100 Southeast 2nd Street, 21st Floor
Miami, Florida 33131

RE: MUR 4239
Harvey Friedman

Dear Mr. Allen:

On August 9, 1995, Harvey Friedman, your client, was notified that the Federal Election Commission found reason to believe that he violated 2 U.S.C. § 441e. On September 18, 1995, you submitted a response to the Commission's reason to believe finding.

After considering the circumstances of the matter, the Commission determined on February 13, 1996, to take no further action against Harvey Friedman, and closed the file as it pertains to Mr. Friedman. The file will be made public within 30 days after this matter has been closed with respect to all other respondents involved.

You are advised that the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) remain in effect with respect to all respondents still involved in this matter. The Commission will notify you when the entire file has been closed.

The Commission reminds your client that soliciting a contribution from a foreign national is a violation of 2 U.S.C. § 441e. Your client should take steps to ensure that this activity does not occur in the future.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Dominique Dillenseger

Dominique Dillenseger
Attorney

96043732846



FEDERAL ELECTION COMMISSION
Washington, DC 20463

February 20, 1996

Richard Allen, Esquire
Engels, Pertnoy, Solowsky & Allen, P.A.
100 Southeast 2nd Street, 21st Floor
Miami, Florida 33131

RE: MUR 4239
The Florida Congressional Committee;
Forrest B. Raffel, Treasurer

Dear Mr. Allen:

On August 1, 1995, the Federal Election Commission found reason to believe that the Florida Congressional Committee and Forrest B. Raffel, as treasurer, your clients, violated 2 U.S.C. § 441e. At your request, on February 13, 1996, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If your clients agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact me at (202) 219-3690.

Sincerely,

A handwritten signature in cursive script that reads "Dominique Dillenseger".

Dominique Dillenseger
Attorney

Enclosure
Conciliation Agreement

95043132847



FEDERAL ELECTION COMMISSION
Washington, DC 20463

February 20, 1996

William B. Canfield, III, Esquire
Holland & Knight
2100 Pennsylvania Avenue, N.W.
Suite 400
Washington, D.C. 20037-3202

RE: MUR 4239
Ted Arison

Dear Mr. Canfield:

On August 1, 1995, the Federal Election Commission found reason to believe that Ted Arison, your client, violated 2 U.S.C. § 441e. At your request, on February 13, 1996, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If your client agrees with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact me at (202) 219-3690.

Sincerely,

Dominique Dillenseger

Dominique Dillenseger
Attorney

Enclosure
Conciliation Agreement

96045732818

BEFORE THE FEDERAL ELECTION COMMISSION

Mar 25 9 43 AM '86

In the Matter of)
) MUR 4239
Ted Arison;)
Harvey Friedman;)
The Florida Congressional Committee and)
Forrest B. Raffel, as treasurer)

GENERAL COUNSEL'S REPORT

I. BACKGROUND

The Federal Election Commission ("the Commission") found reason to believe that Ted Arison, Harvey Friedman, the Florida Congressional Committee and Forrest B. Raffel, as treasurer, ("FCC"), each violated 2 U.S.C. § 441e. The Commission later determined to take no further action against Harvey Friedman and to enter into preprobable cause conciliation with Ted Arison and with the FCC. The Commission approved a conciliation agreement with Ted Arison

Ted Arison

96043732819

9
6
0
4
3
7
3
2
8
5
0

Ted Arison has signed the proposed conciliation agreement, (Attachment 3), and submitted a check for \$5,000 in payment of the civil penalty. Attachment 4. Accordingly, this Office recommends that the Commission accept the attached, signed conciliation agreement with Ted Arison.

The Florida Congressional Committee and Forrest B. Raffel, as treasurer

Attached is a conciliation agreement which has been signed by counsel on behalf of the
FCC. Attachment 7.

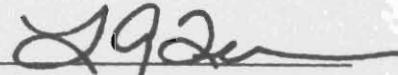
Accordingly, this Office recommends that the Commission approve the
attached, signed conciliation agreement with the Florida Congressional Committee and Forrest
B. Raffel, as treasurer, and close the file on this matter.

II. **RECOMMENDATIONS**

1. Accept the attached conciliation agreement with Ted Arison.
2. Accept the attached conciliation agreement with the Florida Congressional
Committee and Forrest B. Raffel, as treasurer.
3. Close the file.
4. Approve the appropriate letters.

Lawrence M. Noble
General Counsel

Date 3/22/96

BY: 
Lois G. Lerner
Associate General Counsel

96043732851

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Ted Arison;)

Harvey Friedman;)

The Florida Congressional Committee)

and Forrest B. Raffel, as treasurer.)

MUR 4239

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on March 28, 1996, the Commission decided by a vote of 5-0 to take the following actions in MUR 4239:

1. Accept the conciliation agreement with Ted Arison, as recommended in the General Counsel's Report dated March 22, 1996.
2. Accept the conciliation agreement with the Florida Congressional Committee and Forrest B. Raffel, as treasurer, as recommended in the General Counsel's Report dated March 22, 1996.
3. Close the file.

(continued)

9
6
0
4
3
7
3
2
8
5
2

4. Approve the appropriate letters, as recommended in the General Counsel's Report dated March 22, 1996.

Commissioners Aikens, Elliott, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

3/28/96
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat: Mon., March 25, 1996 9:43 a.m.
Circulated to the Commission: Mon., March 25, 1996 4:00 p.m.
Deadline for vote: Thurs., March 28, 1996 4:00 p.m.

bjr

96043732853



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 4, 1996

Richard Allen, Esquire
Engels, Pertnoy, Solowsky & Allen, P.A.
100 Southeast 2nd Street, 21st Floor
Miami, Florida 33131

RE: MUR 4239
Harvey Friedman

Dear Mr. Allen:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Dominique Dillenseger
Attorney

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

96043732854



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 4, 1996

Richard Allen, Esquire
Engels, Pertnoy, Solowsky & Allen, P.A.
100 Southeast 2nd Street, 21st Floor
Miami, Florida 33131

RE: MUR 4239
The Florida Congressional Committee;
Forrest B. Raffel, Treasurer

Dear Mr. Allen:

On March 28, 1996, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your clients' behalf in settlement of a violation of 2 U.S.C. § 441e, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Dominique Dillenseger

Enclosure
Conciliation Agreement

9604332855

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
Mar 13 1 12 PM '96

In the Matter of)
) MUR 4239
The Florida Congressional Committee;)
Forrest B. Raffel, as treasurer)

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities.

The Commission found reason to believe that the Florida Congressional Committee, and Forrest B. Raffel, as treasurer, ("Respondents") violated 2 U.S.C. § 441e.

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. The Florida Congressional Committee (the "FCC") is a political committee within the meaning of 2 U.S.C. § 431(4).

2. Forrest B. Raffel is the treasurer of the Florida Congressional Committee.

3. Harvey Friedman is "Chairman Emeritus" of the Florida Congressional Committee.

96043732856

4. Under the Act, foreign nationals are prohibited from making contributions or expenditures in connection with any U.S. election (federal, state, or local), either directly or through another person. The term "foreign national" is defined as, *inter alia*, an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence. Further, the solicitation, acceptance, or receipt of contributions from foreign nationals by any person is prohibited in all U.S. elections. 2 U.S.C. § 441e; 11 C.F.R. §§ 110.4(a) and 110.9(a).

5. On January 22, 1993, Harvey Friedman solicited a contribution from Ted Arison, a foreign national as defined at 2 U.S.C. § 441e(b) and 11 C.F.R. § 110.4(a), to the FCC. A notation on a \$10,000 "Dues Statement" sent to Mr. Arison by the FCC on January 22, 1993, states "(a)s per Harvey Friedman's meeting with Ted Arison on Friday, 1/22."

6. Ted Arison made a \$5,000 contribution to the FCC on June 10, 1993. The FCC Year End Report discloses that the FCC received the contribution on July 6, 1993.

7. On April 14, 1995, almost two years after the contribution, Ted Arison requested and obtained a refund from the FCC.

V. Respondents Florida Congressional Committee and Forrest B. Raffel, as treasurer, received a contribution from a foreign national in violation of 2 U.S.C. § 441e.

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Two Thousand Dollars (\$2,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

9
6
0
4
3
3
2
8
5
7

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

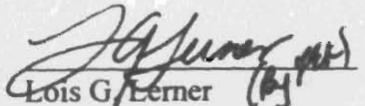
IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

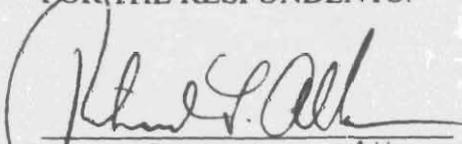
Lawrence M. Noble
General Counsel

BY:


(Name) Lois G. Lerner
(Position) Associate General Counsel

April 4th 1996
Date

FOR THE RESPONDENTS:


(Name) Richard L. Allen
(Position) Attorney

March 11, 1996
Date

96043 / 32858

FLORIDA CONGRESSIONAL COMMITTEE

1287

PAY TO THE ORDER OF

Federal Election Commission

3/15 19*96*

62-84108
870

\$ *2000.00*

Two thousand & 00/100

DOLLARS

 CAPITAL BANK

North Miami Beach Office
115 NW 167th Street, North Miami Beach, FL

FOR

Civil Penalty MUR 4239

*I request B. Raffel
by K. [unclear]*



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 4, 1996

William B. Canfield, III, Esquire
Holland & Knight
2100 Pennsylvania Avenue, N.W.
Suite 400
Washington, D.C. 20037-3202

RE: MUR 4239
Ted Arison

Dear Mr. Canfield:

On March 28, 1996, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 441e, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Dominique Dillenseger
Attorney

Enclosure
Conciliation Agreement

9 5 0 4 3 3 2 8 0

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 4239
Ted Arison)

CONCILIATION AGREEMENT

This matter was initiated by a sua sponte submission by Ted Arison. The Federal Election Commission ("Commission") found reason to believe that Ted Arison ("Respondent") violated 2 U.S.C. § 441e.

NOW, THEREFORE, the Commission and Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

I. Prior to November 26, 1990, Respondent was a citizen of the United States of America. Prior to that date, Respondent, as a citizen of the United States of America, made contributions to candidates for federal office and to federal political committees, including the Florida Congressional Committee (the "FCC"). On November 26, 1990, Respondent relinquished his United States citizenship and became a foreign national as defined at 2 U.S.C. § 441e(b) and 11 C.F.R. § 110.4(a).

RECEIVED
FEDERAL ELECTION
COMMISSION
ACCOUNTING OFFICE
MAR 12 2 19 PM '96

9 6 0 4 3 3 2 8 1

2. Under the Act, foreign nationals are prohibited from making contributions or expenditures in connection with any U.S. election (federal, state, or local), either directly or through another person. 2 U.S.C. § 441e. The term "foreign national" is defined as, inter alia, an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence. 2 U.S.C. § 441e(b)(2).

3. By affidavit, Respondent avers that on January 22, 1993, while on a visit to the United States, Harvey Friedman of the FCC visited him for the purpose of soliciting a contribution to the FCC. Shortly thereafter, the FCC sent the Respondent an invoice and, on June 10, 1993, Respondent issued a \$5,000 check. The FCC 1993 Year End Report reflects that the FCC received the contribution on July 6, 1993.

4. By affidavit, Respondent avers that on April 14, 1995, upon learning for the first time that the Act prohibits contributions from foreign nationals, Respondent immediately requested and obtained a refund of the contribution from the FCC.

V. Respondent made a \$5,000 contribution to the FCC, in violation of 2 U.S.C. § 441e.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of five thousand dollars (\$5,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

J.S.

2
3
4
5
6
7
8
9
0
1
2
3
4
5
6
7
8
9
0

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

BY:

Lois G. Lerner
Lois G. Lerner (By *LL*)
Associate General Counsel

Date

April 4, 1996

FOR THE RESPONDENT:

(Name)
(Position)

[Signature]

Date

March 10, 1996

96043732863

LAW OFFICES
HOLLAND & KNIGHT

BARNETT BANK
701 BRICKELL AVE.
MIAMI, FLORIDA 33131

012250

63-398/670

PAY FIVE THOUSAND & 00/100

DOLLARS

DESCRIPTION	DATE	CHECK NO.	AMOUNT
SETTLMT.PYMT.	03/07/96	12250	\$5,000.00

TO THE ORDER OF FEDERAL ELECTION COMMISSION

HOLLAND & KNIGHT - TRUST ACCOUNT

[Handwritten Signature]
[Handwritten Signature]

TWO SIGNATURES REQUIRED
VOID AFTER 90 DAYS

3509601CC1

For your information:

William B. Canfield III
HOLLAND & KNIGHT

2100 Pennsylvania Avenue, N.W.
Suite 400
Washington, D.C. 20037
(202) 955-3000
Fax (202) 955-5564

96043732864



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 4239

DATE FILMED 5-2-96 CAMERA NO. 4

CAMERAMAN Jm L

96043732865